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(III)





# TO AMEND THE ONE BANK HOLDING COMPANY ACT OF 1970 (CARSON CITY SILVER DOLLARS)

MONDAY, APRIL 3, 1978

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON HISTORIC PRESERVATION AND  
COINAGE OF THE COMMITTEE ON BANKING,  
FINANCE AND URBAN AFFAIRS,  
*Washington, D.C.*

The subcommittee met at 10:15 a.m., in room 2220 of the Rayburn House Office Building, Hon. Walter E. Fauntroy (chairman of the subcommittee) presiding.

Present: Representatives Fauntroy and Pattison.

Chairman FAUNTROY. The subcommittee will come to order.

The subcommittee is today considering H.R. 9937, to amend the One Bank Holding Company Act of 1970, authorizing the General Services Administration to sell the remaining hoard of silver dollars struck at the old mint at Carson City, Nev.

This legislation was initially proposed by the Ford administration during the 94th Congress, and the proposal was resubmitted by the Carter administration last year.

All members of the subcommittee joined me in sponsoring this legislation at the request of the administration.

There is a technical amendment before you that will be offered when the subcommittee meets in executive session.

Before I call our first witness, I would like to mention to the members of the subcommittee that I plan to hold a hearing on the 27th of this month to consider any legislation referred to the subcommittee that authorizes the issuance of any national medals in order that we may clear up any of these pending bills for this Congress.

I plan to ask the Director of the Mint to appear and comment on any national medal bills we wish to consider, and will also invite any House and Senate sponsors to appear if they so desire.

I would appreciate being informed of any subcommittee members' thoughts or interest in any of the bills we may consider.

At this time I would like to call upon the Administrator of the General Services Administration, the Honorable Joel W. Solomon, to address the subcommittee.

**STATEMENT OF HON. JOEL W. SOLOMON, ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION, ACCOMPANIED BY ALLIE B. LATIMER, GENERAL COUNSEL, GSA, AND ROBERT GRAHAM, COMMISSIONER OF THE FEDERAL SUPPLY SERVICE**

Mr. SOLOMON. Thank you, Mr. Chairman.

I am Joel W. Solomon, Administrator of the General Services Administration. Accompanying me today, on my left is our general counsel, Allie B. Latimer. On my right is the Commissioner of the Federal Supply Service, Robert Graham. They are here to answer any questions you may have and to help in the testimony.

Mr. Chairman, I wish to thank you for the opportunity to appear before this subcommittee to discuss H.R. 9937, a bill to amend section 205(a) of the Bank Holding Company Act Amendments of 1970.

[The text of H.R. 9937, with suggested staff amendment, follows:]

95<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 9937

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 1977

Mr. FAUNTROY (for himself, Mr. BARNARD, Mr. EVANS of Delaware, Mr. LEACH, Mr. MATTOX, Ms. OAKAR, and Mr. PATTISON of New York) (by request) introduced the following bill; which was referred to the Committee on Banking, Finance and Urban Affairs

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## A BILL

To amend the One Bank Holding Company Act of 1970.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*  
3        That section 205 (a) of the One Bank Holding Company Act  
4        Amendments of 1970 (84 Stat. 1769, 32 U.S.C. 317e note)  
5        is amended by deleting the second sentence thereto and sub-  
6        stituting the following: "The Administrator is authorized to  
7        sell such coins as may remain by negotiation at such prices,  
8        including fixed prices, in such manner, and upon such terms  
9        and conditions as may be deemed proper by the Administra-  
10       tor. This provision shall be effective upon enactment of this  
11       section".

I



March 21, 1978

H. R. 9937SUGGESTED STAFF AMENDMENT

1. Page 1, Line 4, delete "(84 Stat. 1769, 32 U.S.C. 317e note),  
and insert in lieu thereof:

"(84 Stat. 1769, 31 U.S.C. 317e note)"

Explanation: The above amendment would:

1. Correct an apparent typographical error.

**Mr. SOLOMON.** This bill, in slightly different form, is part of GSA's 1977 legislative program and has been approved by both the present and previous administrations.

We support this proposed legislation.

To explain the reasons for its necessity, I believe it appropriate to provide the subcommittee with pertinent background information on GSA's holdings of Carson City silver dollars, along with the history of prior sales.

For only 13 years the Carson City Mint in Nevada produced silver dollars designed by Mr. George T. Morgan. Known as the Morgan dollars, these coins all bear the unique "CC" mint mark.

In the early 1900's, the demands for silver to support our war efforts in World War I resulted in massive coin melts. The stored Carson City silver dollars were thought to have been melted to meet these demands.

However, in 1964, when silver was no longer either used in coinage or for the redemption of silver certificates, the General Accounting Office made an audit of the Department of the Treasury's silver dollars and discovered in a Treasury vault nearly 3 million coins, most of which were uncirculated silver dollars from the long-closed Carson City Mint.

Under Public Law 91-607, the Bank Holding Act Amendments of 1970, Congress authorized GSA to sell these coins, which represent the last of the Government's holding of 90 percent silver dollars.

That law requires GSA to adhere to the sale plan approved by the Joint Commission on the Coinage, which is no longer in existence.

The Commission's plan had three main goals: First, to insure the public a widespread opportunity to obtain the coins; second, to obtain maximum return on disposal for the Treasury; and third, to conduct the disposal operation in Government rather than in private hands.

The Commission considered many proposals for selling the coins and decided on the following method:

The silver dollars were to be sold by public mail bid with a pre-established minimum price set near their then-retail values.

Coins were to be awarded beginning with the highest bid for each offering. If there were more coins than bids, all coins were to be awarded at the minimum bid price indicated and any amount over that price was to be refunded.

Bidders were required to be U.S. citizens and at least 18 years of age. They were limited to one coin each per category.

Coins were awarded on an "as is" off-the-shelf, sight unseen basis.

To market these coins, GSA received an appropriation of \$10 million to cover sales expenses.

Five sales were conducted between the years 1972-74. As a result of these five sales, 1,959,428 coins were sold, generating net revenues of \$55.3 million. Expenses incurred to date from the appropriations are approximately \$8 million.

Sales were discontinued in 1974 because of the higher costs involved in conducting them, and because of the diminishing market returns from the sales of the 1883-84 coins—which constitute 64 percent of our remaining inventory.

These declining sales data for these two categories were indicative of a temporary saturation of the market. Because of this saturation, the complex terms and conditions of sale, and the complicated and expensive sales method, the point was reached where it was and is no longer economically prudent to offer the remaining coins under the same terms and conditions.

As a matter of information, Mr. Chairman, in early 1976 GSA was advised by the Bureau of the Mint that it had become critical for the Carson City silver dollars to be relocated from the U.S. Bullion Depository at West Point, N.Y. The relocation was required because the mint needed the vault space for other purposes.

Alternative locations were explored and none found feasible except the U.S. mint facility in northern California where the coins are stored and safeguarded today.

Mr. Chairman, having given you and the subcommittee some background and sales history, I will now discuss how we plan to sell the coins should the proposed legislation become law.

Six categories of coins remain in our inventory. In round figures, we have 4,200 coins in the 1880 category, 19,000 coins in the 1881 category, and 31,500 coins in the 1885 category. These coins were previously sold for a minimum bid of \$60 each.

We have 195,000 coins in the 1883 category and 430,000 coins in the 1884 category, both of which were previously sold for a minimum bid of \$30 each.

The remaining 300,000 coins are in the mixed years category, which consists of coins from all previously offered categories which do not meet the standards for uncirculated coins. The mixed year coins were previously sold for a minimum bid of \$15.

The prices for all of these categories of coins included the cost of postage.

GSA personnel who conducted the previous five sales believe that simplicity must be the principal criterion in developing new sales terms and conditions for any future sales to the public.

Their experience shows that public response is inhibited when a sales offering contains restrictions, complex award procedures, delays in delivery, and complex pricing instructions.

In addition, it is significant for me to emphasize that we believe that GSA has already amply provided for every American to have an equal opportunity to purchase one or more of these historic coins. Therefore, I propose the following marketing guidelines.

First, the coins will be offered for sale in the United States, its territories and possessions, and to members of the Armed Forces, and embassies and consulates overseas.

Second, all coins will be sold at fixed prices which shall be the previous minimum bid prices, unless conditions dictate otherwise.

Third, there will be no limitation as to quantity on the 1883 and 1884 coins. There would be a limit of up to 100 coins per person in the mixed years category. There would be a limit of up to five coins per person in the 1880, 1881, and 1885 categories.

Fourth, orders will be received for a specific period during which they will be processed on a first-come, first-served basis until all coin category inventories have been depleted.

Fifth, payments in full must accompany all orders.

These guidelines are, of course, subject to revision, and H.R. 9937 is drafted to provide the flexibility to allow various methods of sale in order to respond to changing market conditions.

It is also our intention to use the flexibility provided in this bill to offer some of these Carson City silver dollars through negotiated sales to Federal organizations such as the Smithsonian and to State and local museums for public display.

Such procedure would be consistent with the programs through which other Government-owned property is disposed of and the public interest would be served by providing that some of these historic coins are available for the benefit and enjoyment of all.

Of obvious consideration in the matter of our marketing strategy is the sensitive subject of what prices we assign to each of the six categories of remaining coins.

Although the price of 1883 and 1884 Carson City silver dollars on the open market is now lower than it was before we began our initial sale in 1972, and the price of 1880, 1881, and 1885 Carson City coins is higher, we believe that it is most desirable to adhere to the previously established prices, so long as they are not seriously out of line with the current market conditions.

Since conditions fluctuate, we will make a final determination on this matter just before the next sale.

Mr. Chairman, I also wish to advise you and your colleagues that the coins are packaged in boxes which bear a message from former President Richard Nixon. This message reads: "As we approach America's Bicentennial, this historic silver dollar is one of the most valued reminders of our national heritage."

The cost of repackaging or altering the present packaging, possibly to include a message from President Carter, would indeed be expensive.

In view of only \$2 million remaining to sell about 1 million coins, the President has decided that we cannot afford the luxury of repackaging the coins.

In conclusion, we believe that H.R. 9937, which would amend section 205 (a) of the Bank Holding Company Act Amendments of 1970, will, if enacted into law, provide GSA with the flexibility it needs to sell the remainder of Carson City silver dollars.

Taking into account the planning, various automated data programming, and other administrative requirements, we believe we could commence a sale within approximately 9 months from the time that the present act is amended.

This completes my statement, Mr. Chairman. My staff and I will be glad to answer any questions which you may now have.

Chairman FAUNTROY. Thank you, Mr. Solomon. Let me state that I certainly appreciate the thoroughness of your testimony. It answers many of the questions which I, for one, have had, and I am sure that Members of the Congress—ultimately the American people—will be much more ready to accept this measure as a result.

There are a couple of questions which I do have pursuant to your testimony. You mentioned the fact that when in the early 1900's you began to melt some of these silver coins down in response to the war needs, that these dollars were somehow missed; and the question is inevitably going to be asked of me and Members of the Congress as to what the difference in terms of yield would be between the value of the coins melted down and the potential value of the sales that you propose.

I wonder if you could, for the record, give us that comparison.

Mr. SOLOMON. Mr. Graham's staff at the Federal Supply Service have furnished us the following: If we melt the silver coins down, it will bring in a gross revenue of about \$4.1 million. We must pay one dollar back to the Treasury for each dollar that we sell.

If we were to melt it, we would still have to pay for it. We would therefore have to take \$1 million off of that, plus the expense of melting the coins down. It would net to the Government something like \$3 million.

The estimated costs of selling the coins—let's use an average price of \$30—would bring in approximately \$30 million. I think it would probably take us—we have to pay \$1 back to the Treasury. We would net out, when we got through with the expense, about \$24 million. There is a big difference in the two costs.

Unless Mr. Graham has anything to add to that?

Mr. GRAHAM. No. That \$2 million would include the appropriation for the expense.

Mr. SOLOMON. We are taking off what is already appropriated from that to get the \$25 million. It is really \$26 million if you want to take the appropriation.

Chairman FAUNTROY. At this point it is \$26 million?

Mr. SOLOMON. Yes.

Chairman FAUNTROY. About eight times as much more money selling it?

Mr. SOLOMON. Mr. Chairman, when we announced that we were going to propose the sale of the coins, there were stories in some of the trade magazines and the Washington Post. It might be of interest to you that we have received and have on file over 3,500 letters already.

That is without advertising or anything. The letters do not specify how many coins they want but if you put a coefficient to the thing, you would say that you have a built-in demand that is tremendous.

I have a package of coins here, if you would like to see what it looks like.

Chairman FAUNTROY. I would, certainly would, if you don't mind. I am sure Mr. Pattison would likewise to look at them.

Mr. SOLOMON. This is the outside cover, the way it is packed. This is the complete cover. Then you open it up. It has this container inside.

Chairman FAUNTROY. Is Mr. Nixon's message on that?

Mr. SOLOMON. On this. You might ask to look at it.

Mr. GRAHAM. Everything is there except the coin itself.

Chairman FAUNTROY. Oh. [Laughter.]

You can't sell them until this becomes law?

Mr. SOLOMON. Mr. Chairman, you must remember also that when we speak of a \$30 figure, we are speaking of the packaging, everything else. That is quite a nice package.

Chairman FAUNTROY. Given the indication of demand for the silver dollars, do I take it from your testimony that you expect to proceed simultaneously on both individual sales and negotiated sales?

Mr. SOLOMON. Well, I don't think that we would negotiate sales on our method. We would set a price, and then let everybody write in. It would be a first-come, first-served basis.

We would limit, as I testified, certain categories. There would be certain categories we would not have a limit on. We would try to just handle it like the mint does in the sale of coins, or their minted coins, or anything they do.

You know, an order is usually accompanied by a check. They say in the case of minted coins, five to a person, first come, first served. When the supply runs out, it runs out. That would be our method. We would try to follow the mint's method of selling.

Chairman FAUNTROY. I suspect you would make offerings to the Federal organizations, the Smithsonian, the State and local museums, early in the process?

Mr. SOLOMON. Right. We also have another institution we are interested in making an offering to, which is the National Archives. Some of these coins have historical value. We probably would make an offering to them, too, to preserve with the historic records of this country.

Chairman FAUNTROY. It is to that question of the differential value of the coins that I wanted to get some response. You mentioned, for example, in your testimony that 300,000 of the coins are remaining and do not meet the standards of uncirculated coins. Would you care to educate me on that?

Mr. SOLOMON. Well, I am not that much of an expert on it myself. I am told that experts came in to examine these coins, and they said that because of scratches and so forth, they do not meet the mint coin requirement. They were uncirculated coins.

If anybody has a better definition about that than that, I don't know what it is.

Mr. GRAHAM. That is a nutshell response, that there were experts that examined them and, therefore, according to their expertise, cer-

tain of the coins were segregated out because they didn't meet the qualifications of the others.

Chairman FAUNTROY. Does that likewise explain the difference between the \$60 per coin for the 1880 and 1881, and the other differences that are indicated?

Mr. GRAHAM. I think that is the rarity of the coins. Certain of the mintages were more expensive coins and, therefore, enjoyed a higher value.

Mr. SOLOMON. If you will notice in the testimony, there are very few in that category.

Chairman FAUNTROY. For the 60,000—I mean \$60.

Mr. SOLOMON. Yes, sir.

Chairman FAUNTROY. Do I understand that the difference in value has to do with the content of the coin or how it is struck?

Mr. GRAHAM. I would estimate it is the rarity factor. These coins that were in certain years were fewer in number.

Chairman FAUNTROY. I see.

Mr. GRAHAM. Therefore, they carry a rarity factor that others do not.

Chairman FAUNTROY. That is very helpful to me. I understand now.

I take it, therefore, that your proposal to limit 100 coins per person, the 1880, 1881, 1885 categories runs to the question of rarity?

Mr. SOLOMON. That is right, sir. The quantity. Then the largest quantity, we do not limit any.

Chairman FAUNTROY. After you have offered the coins at their fixed prices with no limitation on the quantity one buys, is it likely that all the coins will be sold?

Mr. SOLOMON. Well, I personally feel—and I come from a background of marketing—that with this built-in demand, it will. We are pretty anxious to keep the price pretty well steady to what we sold the coins the previous time, because we are afraid if we break that market price, we would depress the whole market. It would be unfair to people who bought the same coin for \$30, 3 years earlier, to say we are going to sell them now for \$10. We feel these carry an unusual message because of the Bicentennial, and have some unusual factors.

Also, people know it is probably the last sale. I think there is some value in that. I am amazed, Mr. Chairman, at the demand. I go very few places that people do not get hold of me and say: "Hey, when can we buy those coins?"

Even today. That story is about 6, 7 months old; maybe 9 months. I have had Senators and Congressmen say that employees in the House and Senate have come up to them, and said: "Mr. Senator, will you help me get one of those coins?" They are very anxious to get it. There seems to be a big buildup.

We think we can move them out in 6 months' time. We would try to move them out in that length of time. If we didn't, we would withdraw them from the market and do something else. You know, we haven't even talked about bulk sales. We are trying to spread them out as much as we can.

Chairman FAUNTROY. Before I yield to Mr. Pattison, I wonder if you would again tell me how you reached the figure of \$25 million—\$24 million in profit by the sale as against \$3 million by—

Mr. SOLOMON. Well, we think it takes \$4 per coin to get it out, to handle it, to package it—not to repackage it, but get it out in the mail and everything else. If it averages \$30 a coin, there are over a million of them, \$30 minus the \$4 comes to the \$26 million.

I took off the \$2 million that we had already approximated. So it netted out at \$24 million. The Treasury would receive about \$26 million from us.

Chairman FAUNTROY. I see. Thank you so much. I yield to the gentleman from New York, Mr. Pattison.

Mr. PATTISON. I just hope the record will show that that came up to us empty. [Laughter.]

Neither you nor I took from it.

Mr. SOLOMON. Mr. Pattison, I am in the same shoes you are. When they bring it to me to show it to me, I make them say it is empty.

Mr. Pattison, it is GSA policy that GSA employees are not allowed to purchase. Other Government employees can, but GSA employees are not allowed to purchase any surplus sales that GSA conducts. We are very careful about that.

Mr. PATTISON. I would say this is probably a good rule. How do you plan to advertise this? Would it be broadly advertised?

Mr. SOLOMON. Frankly, Mr. Pattison, we had such interest in it we would try to release stories throughout the country and through the trade magazines. We have allocated in our budget of the \$2 million, a fund for advertising. We would try to advertise in the trade papers and things of this sort.

We have a suspicion that because of the unusual nature of the packaging that there will be a big demand. It will not take a lot of advertising. That is figured in our \$2-million budget that we have for the costs.

Mr. PATTISON. In anticipation of a very large demand which will wipe out the supply very quickly, would it not be wise to set a time in your advertising or your news stories before which offers could not be accepted, so that you would not have this rush of all the people who know about it and—

Mr. SOLOMON. Yes, sir, that is very probable.

Mr. PATTISON. I realize the coin-collecting public will know about it through their publications; but we would want to serve the whole public; I might even suggest that this kind of information be made available to the Members of Congress so that they can put the information in a newsletter or mailing well in advance, and release it through their own press.

Mr. SOLOMON. Very good suggestion.

Mr. PATTISON. There is no date in advance, then, that could be wiped out.

What would happen if you got an overwhelming response and too many offers? Would you then allocate in some way? I realize "First come, first served" is the rule.

Mr. SOLOMON. We testified on the basis we would have to handle it "first come, first served." I think we could handle that through the postmarks. We have to. Coin sales through the mint are handled that way now.

Mr. PATTISON. The problem is that without a limitation, some people could put in huge orders.

Mr. SOLOMON. Well, we are not—I do not want to put us in the coin business.

Mr. PATTISON. I understand.

Mr. SOLOMON. We are strictly a surplus-property seller. We want to get them out as fast as possible. That would be the best thing that could happen to us.

Mr. PATTISON. Well, all right. Relative to the message that is on there—it would seem to me when you do send the coins out pursuant to an order, you could have another message that says, “We didn’t change the message because we thought it was too expensive to change the message,” so people won’t be confused as to who is the President, but without going through a lot of repackaging. You are going to have to send some notation back to the people when you send the order to them, I suppose.

Mr. SOLOMON. We have a proposed label. That label you see on there is not on the packaging now. There is a place for a label. We have a proposed label that I have not cleared currently with the White House that I would like to put on there. It would say something to the effect that in keeping with my pledge to economize and because of the historic value of this coin and everything, we are sending it out as we received it, signed, Jimmy Carter.

Mr. PATTISON. Fine. Or whoever. You can sign it GAO or GSA or whatever.

OK. I have no other questions.

Mr. SOLOMON. Mr. Chairman, you have not asked the question, but I would like to volunteer one other uniqueness of these coins that I am told about so there will be no misrepresentation.

There are 20 coins in there that are errors. The set is very valuable as a set. Normally I am told that in selling the coins errors are just mixed at random into the other coins. Whoever gets them just gets the coin, if he happens to be lucky enough to get one with an error.

There is one error progression set that they say is very, very unusual and very valuable. We would like to make this as a presentation in some kind of manner to the Archives to keep on display and keep with the historic material of this country. That complete set would be the only 20 coins that we would propose to hold out. Otherwise, any other valuable coin would be mixed at random into the sale. Whoever got it, got it. We would have no way of pulling it out.

This one set we are told that is fairly valuable. I think that the subcommittee should be aware of it. I think the Archives would be a very good place to keep it so that it would be of value to this country in future years.

Chairman FAUNTROY. Thank you so very much, Mr. Solomon, for your testimony. It has been very helpful to us.

Mr. SOLOMON. Thank you.

Mr. PATTISON. Mr. Solomon, in view of your name, I thought maybe you were going to suggest they be divided in half.

Mr. SOLOMON. That would be easy.

Chairman FAUNTROY. I would like to thank the General Counsel, also one of the most valuable citizens in the District of Columbia, which incidentally is unrepresented in the House and the Senate.

Ms. LATIMER. Thank you, Mr. Chairman.



Chairman FAUNTROY. Not for long, hopefully.

At this time I want to call the delightful and charming editor of Coin World, Mrs. Margo Russell, for her remarks to the subcommittee.

Mrs. RUSSELL. Thank you.

Chairman FAUNTROY. It is a pleasure to have you before the subcommittee. You may proceed in whatever manner you choose.

#### STATEMENT OF MARGO RUSSELL, EDITOR, COIN WORLD

Mrs. RUSSELL. Mr. Chairman, Congressman Pattison, my name is Margo Russell. I am editor of Coin World, a weekly numismatic newspaper published by Amos Press in Sidney, Ohio.

I thank you most kindly for allowing us to represent the views of our 98,000-plus paid subscribers before your distinguished group. This subcommittee's decisions are all-important to our hobby, which is also a centuries-old science and a modern multimillion dollar industry.

We are most impressed and appreciative of the interest, concern, and fairness this subcommittee and its chairman have demonstrated toward affairs relating to our Nation's coinage.

Coin World has conducted two reader polls asking for opinions concerning disposition of the Government-held silver dollars. The first, in 1968, brought 7,000 responses. At that time our readers wanted everybody who was interested in the coins to have an opportunity to purchase them. Our readers did not believe the coin market would be affected for long, if at all, by the release of the coins, then under the jurisdiction of the Joint Commission on Coinage.

They wanted wide distribution, they did not want the coins melted, they did not want coin dealers to handle them, and they believed at that time—rather hopefully, I might add—that from \$4 to \$5 per coin was a fair price. Of the respondents, 11 percent indicated they would pay the higher, going rate for the coins.

Our second poll, conducted in December 1977, had far less response from our readership—several hundred replied in contrast to several thousand 10 years ago. This could be some kind of an indicator of interest in the coins, although with the prospects of a new size dollar in the offing, there is a quickening of interest in silver dollars throughout the hobby.

Today the majority of our readers indicate:

First, they do not want the remaining Carson City dollars in custody of General Services Administration melted.

Second, they want the coins offered for sale to the public at reasonable prices, based on present market factors, using the most efficient, least costly marketing techniques.

Third, they do not want the coins sold in bulk to a coin firm or firms.

Collectors and dealers alike urge GSA to take into consideration these conditions:

First, the current numismatic market.

Second, the fact that five prior Carson City silver dollar sales have been held, distributing nearly 2 million coins.

Third, that another major hoard of over 400,000 silver dollars has gone into the numismatic market pipeline.

Fourth, that the numismatic consumer has a sharpened awareness of coin grading.

Fifth, that an orderly sale of the dollars is necessary to maintain the market equilibrium.

We are certain this subcommittee, committed as it is to consideration of historic preservation, would not be in favor of melting such an important numismatic legacy.

Many of our readers suggest simplifying the marketing procedures by confining them to utilization of the Treasury Department's Bureau of the Mint's collector mailing list and its efficient computerized collector service mechanism, offering the coins as an ongoing shelf item until they are sold. We have attached two tables which indicate the mint's collector proof and uncirculated coin sales records in recent years as its sales potential.

[The tables referred to by Mrs. Russell follows:]

## UNITED STATES PROOF COIN SET SALES

<u>Year</u> <u>Minted</u>	<u>Sets</u> <u>Sold</u>	<u>Selling</u> <u>Price</u>	<u>Face</u> <u>Value</u>
1936	3,837	1.89	.91
1937	5,542	1.89	.91
1938	8,045	1.89	.91
1939	8,795	1.89	.91
1940	11,246	1.89	.91
1941	15,287	1.89	.91
1942	21,120	2.04	.96
Production Suspended from 1943 to 1949			
1950	51,386	2.10	.91
1951	57,500	2.10	.91
1952	81,980	2.10	.91
1953	128,800	2.10	.91
1954	233,350	2.10	.91
1955	378,200	2.10	.91
1956	669,384	2.10	.91
1957	1,247,952	2.10	.91
1958	875,652	2.10	.91
1959	1,149,291	2.10	.91
1960	1,691,602	2.10	.91
1961	3,028,244	2.10	.91
1962	3,218,019	2.10	.91
1963	3,075,645	2.10	.91
1964	3,950,762	2.10	.91
Production Suspended during 1965, 1966, 1967			
1968	3,041,506	5.00	.91
1969	2,934,631	5.00	.91
1970	2,632,810	5.00	.91
1971	3,220,733	5.00	.91
1972	3,260,996	5.00	.91
1973	2,760,339	7.00	1.91
1974	2,612,568	7.00	1.91
1975	2,845,450	7.00	1.91
1976	4,123,056	7.00	1.91
1977	3,236,798	9.00	1.91

## UNITED STATES UNCIRCULATED COIN SET SALES

<u>Year Minted</u>	<u>Sets Sold</u>	<u>Selling Price</u>	<u>Face Value</u>
1947	12,600	\$4.87	\$4.46
1948	17,000	4.92	4.46
1949	20,739	5.45	4.96
1950	None	---	---
1951	8,654	6.75	5.46
1952	11,499	6.14	5.46
1953	15,538	6.14	5.46
1954	25,599	6.19	5.46
1955	49,656	3.57	2.86
1956	45,475	3.34	2.64
1957	34,324	4.40	3.64
1958	50,314	4.43	3.64
1959*	187,000	2.40	1.82
1960	260,485	2.40	1.82
1961	223,704	2.40	1.82
1962	385,285	2.40	1.82
1963	606,612	2.40	1.82
1964	1,008,108	2.40	1.82
1965**	2,360,000	4.00	.91
1966**	2,261,583	4.00	.91
1967**	1,863,344	4.00	.91
1968***	2,105,128	2.50	1.33
1969	1,817,392	2.50	1.33
1970	2,038,134	2.50	1.33
1971	2,193,396	3.50	1.83
1972	2,750,000	3.50	1.83
1973	1,767,691	6.00	3.83
1974	1,975,981	6.00	3.83
1975	1,921,488	6.00	3.82
1976	1,892,513	6.00	3.82
1977	2,006,869	7.00	3.82

\* First time of sale in polyethylene packets (1959 coinage).

\*\* "Special" Mint sets.

\*\*\* Uncirculated coin set production resumed.

Source: Bureau of the Mint

Mrs. RUSSELL. We respectfully suggest should the pieces be offered at fixed prices rather than auction, and distributed through mint channels, much in the manner of collector coin sets, this procedure might provide the needed impetus for setting up a numismatic advisory board, patterned after the Philatelic Citizens Stamp Advisory Committee. Such a board would serve as a vital link between the Government agencies and numismatics.

Because of the mobility of our society, and the high percentage of address changes, we question the utility of the list of previous purchasers of GSA Carson City silver dollar customers. Four years can make a mailing list obsolete, but we assume, in fairness, there would be an effort to reach these former customers and give them a chance to purchase the coins after the computerized list is cleaned for address changes.

Another decision to be made, we presume—and Mr. Solomon has confirmed this—is whether many of the coins packaged with a message from former President Richard Nixon would be repackaged or be allowed to remain as mementos of history.

From comments accompanying our 1977 poll responses, we learned if there is a new offering of Carson City dollars by GSA, most collectors envision prices considerably lower than the minimum bids asked last time. Most respondents said there should be a limit of five or fewer coins per order.

Suggested prices ranged from \$5 to a peak of \$70 for the most desirable coins.

We have attached to this testimony, in the form of a table, Coin Word price trends for the past decade, to allow members of this subcommittee to track marketplace prices of the dollars held and sold by GSA from 1972 to 1974.

We have also included a table which gives some ballpark figures should coins be sold at certain prices. Detailed results of the two polls are available from Coin World should any Government agency involved in the program wish them.

[The tables referred to by Mrs. Russell follow:]

## TEN-YEAR TRENDS PRICES FOR CARSON CITY DOLLARS

	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>
1878	\$ 9.75	\$ 14.50	\$ 12.50	\$ 14.50	\$ 18.50	\$ 24.50	\$ 27.50	\$ 31	\$ 38	\$ 38	\$ 38
1879	175	195	200	200	225	350	475	635	825	900	675
1880*	50	60	57.50	60	67.50	74.50	77.50	75	88	90	85
1881*	72.50	75	70	72.50	77.50	85	77.50	85	88	90	85
1882	23	29.50	32.50	33	40	40	32.50	25	32	32	30
1883*	23	28	25	27	37.50	40	35	25	32	32	30
1884*	32	37.50	35	37.50	42.50	42.50	35	25	32	32	30
1885*	52.50	60	55	62.50	64	72.50	75	78	85	90	90
1889**	750	950	900	900	925	1,500	1,700	3,200	3,600	3,800	3,250
1890	22.50	29.50	25.50	26	32.50	42.50	60	78	90	105	95
1891	22	27.50	24	27.50	31.50	45	55	64	72	87	75
1892**	45	56	55	57.50	62.50	195	225	205	245	275	110
1893**	165	195	200	215	235	375	600	775	800	850	700

\*Dates remaining in GSA inventory

\*\*Never offered in GSA sales

Year	Number Coins To Be Sold		At Coin World Trends December 21, 1977 <sup>1/</sup>		At Coin World Trends March 29, 1978		At 1978 Red Book <sup>2/</sup>	
			\$		\$		\$	
1880	4,261	\$ 90	\$ 383,490	\$ 85	\$ 362,185	\$ 85	\$ 362,185	
1881	18,960	100	1,896,000	85	1,611,600	85	1,611,600	
1883	195,724	40	7,828,960	30	5,871,720	30	5,871,720	
1884	428,128	40	17,125,120	30	12,843,840	30	12,843,840	
1885	31,548	90	2,839,320	90	2,839,320	85	2,681,580	
Mixed	298,968	15	4,484,520	15	4,484,520	15	4,484,520	
			\$34,557,410		\$28,013,185		\$27,855,445	
Mixed dollars at \$15		(298,968)	\$ 4,484,520					
1883 & 1884 at \$25		(623,852)	15,596,300					
1880, 81 & 85 at \$60		(54,769)	3,286,140					
			\$23,366,960					
All denominations at \$5		(977,589)	\$4,887,945					

1/ A Coin World composite weekly United States coin price Trends section. Prices are compiled from transactions including auction sales, dealer advertisements, price lists and teletypewriter reports.

2/ "A Guide Book of United States Coins," 31st edition, by R. S. Yeoman. Published by Western Publishing Co., Inc., Racine, Wis.

Recent and current market values of (MS-60, Uncirculated) Carson City dollars, projected revenue for General Service Administration. Inventory figures supplied by GSA November 23, 1977.

**Mrs. RUSSELL.** Collectors and dealers indicate to us that although GSA is by now recognized as the world's largest coin dealer in history, it is not required to conform to disciplines, the stringent grading standards and coin return privileges demanded of the professional numismatist by the numismatic consumer. This departure from accepted commercial numismatic practices is, in our opinion, another reason for a price concession.

Recent publication of the Official American Numismatic Association "Grading Standards for United States Coins," and prospects of a grading agency at ANA headquarters in Colorado Springs has sharpened grading senses throughout the hobby. Any GSA offering must bear new scrutiny. We would refer this subcommittee to pages 18 and 19 of the ANA grading standards for uncirculated coins, also known as Mint State-60.

[Pages 18 and 19 of "Grading Standards for United States Coins," from a recent publication of the Official American Numismatic Association, follow:]



The Official  
American Numismatic Association  
Grading Standards  
for United States Coins



*Compiled,*  
*Arranged and Edited by*  
KEN BRESSETT  
and  
A. KOSOFF

*Introduction by*  
Q. DAVID BOWERS

the stripes usually are not mirrorlike. Also, the striking may be weak in areas and the rims might not be sharp.

The mirrorlike surface of a brilliant proof coin is much more susceptible to damage than are the surfaces of an Uncirculated coin. For this reason, proof coins which have been cleaned often show a series of fine hairlines or minute striations. Also, careless handling has resulted in certain proofs acquiring marks, nicks, and scratches.

Some proofs, particularly nineteenth century issues, have "lintmarks." When a proof die was wiped with an oily rag, sometimes threads, bits of hair, lint, and so on would remain. When a coin was struck from such a die, an incuse or recessed impression of the debris would appear on the piece. Lintmarks visible to the unaided eye should be specifically mentioned in a description.

Proofs are divided into the following classifications:

**Proof-70 (Perfect Proof).** A Proof-70 or Perfect Proof is a coin with no hairlines, handling marks, or other defects; in other words, a flawless coin. Such a coin may be brilliant or may have natural toning.

**Proof-65 (Choice Proof).** Proof-65 or Choice Proof refers to a proof which may show some very fine hairlines, usually from friction-type cleaning or friction-type drying or rubbing after dipping. To the unaided eye, a Proof-65 or a Choice Proof will appear to be virtually perfect. However, 5x magnification will reveal some minute lines. Such hairlines are best seen under strong incandescent light.

**Proof-60 (Proof).** Proof-60 refers to a proof with some scattered handling marks and hairlines which will be visible to the unaided eye.

**Impaired Proofs; Other Comments.** If a proof has been excessively cleaned, has many marks, scratches, dents or other defects, it is described as an impaired proof. If the coin has seen extensive wear then it will be graded one of the lesser grades—Proof-55, Proof-45, or whatever. It is not logical to describe a slightly worn proof as "AU" (Almost Uncirculated) for it never was "Uncirculated" to begin with—in the sense that Uncirculated describes a top grade normal production strike. So, the term "impaired proof" is appropriate. It is best to describe fully such a coin, examples being: "Proof with extensive hairlines and scuffing," or "Proof with numerous nicks and scratches in the field," or "Proof-55, with light wear on the higher surfaces."

### UNCIRCULATED COINS

The term "Uncirculated," interchangeable with "Mint State," refers to a coin which has never seen circulation. Such a piece has no wear of any kind. A coin as bright as the time it was minted or with very light natural toning can be described as "Brilliant Uncirculated." A coin which has natural toning can be described as "Toned Uncirculated." Except in the instance of copper coins, the presence or absence of light toning does not affect an Uncirculated coin's grade. Indeed, among silver coins, attractive natural toning often results in the coin bringing a premium.

The quality of luster or "mint bloom" on an Uncirculated coin is an essential element in correctly grading the piece, and has a bearing on its value. Luster may in time become dull, frosty, spotted or discolored. Unattractive luster will normally lower the grade.

With the exception of certain Special Mint Sets made in recent years for collectors, Uncirculated or normal production strike coins were produced on high speed presses, stored in bags together with other coins, run through counting machines, and in other ways handled without regard to numismatic posterity. As a result, it is the rule and not the exception for an Uncirculated coin to have bag marks and evidence of coin-to-coin contact, although the piece might not have seen actual commercial circulation. The amount of

such marks will depend upon the coin's size. Differences in criteria in this regard are given in the individual sections under grading descriptions for different denominations and types.

Uncirculated coins can be divided into three major categories:

**MS-70 (Perfect Uncirculated).** MS-70 or Perfect Uncirculated is the finest quality available. Such a coin under 4x magnification will show no bag marks, lines, or other evidence of handling or contact with other coins.

A brilliant coin may be described as "MS-70, Brilliant" or "Perfect Brilliant Uncirculated." A lightly toned nickel or silver coin may be described as "MS-70, toned" or "Perfect Toned Uncirculated." Or, in the case of particularly attractive or unusual toning, additional adjectives may be in order such as "Perfect Uncirculated with attractive iridescent toning around the borders."

Copper and bronze coins: To qualify as MS-70 or Perfect Uncirculated, a copper or bronze coin must have its full luster and natural surface color, and may not be toned brown, olive, or any other color. (Coins with toned surfaces which are otherwise perfect should be described as MS-65 as the following text indicates.)

**MS-65 (Choice Uncirculated).** This refers to an above average Uncirculated coin which may be brilliant or toned (and described accordingly) and which has fewer bag marks than usual; scattered occasional bag marks on the surface or perhaps one or two very light rim marks.

**MS-60 (Uncirculated).** MS-60 or Uncirculated (typical Uncirculated without any other adjectives) refers to a coin which has a moderate number of bag marks on its surface. Also present may be a few minor edge nicks and marks, although not of a serious nature. Unusually deep bag marks, nicks, and the like must be described separately. A coin may be either brilliant or toned.

#### Striking and Minting Peculiarities on Uncirculated Coins

Certain early United States gold and silver coins have mint-caused planchet or adjustment marks, a series of parallel striations. If these are visible to the naked eye they should be described adjectivally in addition to the numerical or regular descriptive grade. For example: "MS-60 with adjustment marks," or "MS-65 with adjustment marks," or "Perfect Uncirculated with very light adjustment marks," or something similar.

If an Uncirculated coin exhibits weakness due to striking or die wear, or unusual (for the variety) die wear, this must be adjectivally mentioned in addition to the grade. Examples are: "MS-60, lightly struck," or "Choice Uncirculated, lightly struck," and "MS-70, lightly struck."

#### CIRCULATED COINS

Once a coin enters circulation it begins to show signs of wear. As time goes on the coin becomes more and more worn until, after a period of many decades, only a few features may be left.

Dr. William H. Sheldon devised a numerical scale to indicate degrees of wear. According to this scale, a coin in condition 1 or "Basal State" is barely recognizable. At the opposite end, a coin touched by even the slightest trace of wear (below MS-60) cannot be called Uncirculated.

While numbers from 1 through 59 are continuous, it has been found practical to designate specific intermediate numbers to define grades. Hence, this text uses the following descriptions and their numerical equivalents:

**Choice About Uncirculated-55.** Abbreviation: AU-55. Only a small trace of wear is visible on the highest points of the coin. As is the case with the

Another outstanding reference volume pertinent to H.R. 9937 we recommended in "Morgan and Peace Silver Dollars," by Leroy Van Allen and A. George Mallis. There are three chapters devoted to the GSA silver dollar sale.

There has been some additional criticism of GSA and its role as a coin dealer by some professional numismatists. There was an objection from dealers and collectors when literature associated with one GSA sale extolled the coins as "investments," a term they believed misleading.

One dean of professional numismatists questions the GSA designation of "uncirculated" because many of the coins are not in this condition in his opinion. He calls the claim misrepresentation and irresponsible because of no allowances for return of improperly graded coins. He urges GSA to have competent people grade the coins on the conservative side if top price is demanded.

Further commentary on this subject may be found in the attached December 27, 1977, Coin World editorial entitled "Modern Day Solomon Has Big Decision."

[The editorial referred to follows:]

# Modern-day Solomon has big decision

Coin collectors can draw comfort from the fact that the current custodian of the Carson City silver dollars is named Solomon—Jay Solomon, that is, administrator of General Services Administration. His agency is known as Uncle Sam's storekeeper. It is looking for ways and means to dispose of the last 977,589 Carson City dollars on its shelves out in San Francisco.

It will take Solomonic wisdom to handle this sale, the sixth, and possibly the final. At least Congress, GSA and the collectors hope this is the end of Uncle Sam's role as the world's largest coin dealer without the disciplines imposed on the professional numismatist. Jay Solomon is an aware gentleman and, based on our judgement and conversations with him, will handle the dollar disposition sensibly, once Congress gives the go-ahead.

While we invited all 100,000 of our subscribers to register an opinion as to how the last million dollars should be sold, and how much they would be willing to pay for them, we felt at least four people should be consulted directly because of their specialized interest in numismatics, and their expertise.

The four included Amon Carter Jr., Fort Worth publisher who served on the nation's Joint Commission on the Coinage, and who inspected a sampling of the dollars prior to the first sale; Q. David Bowers, president of the Professional Numismatists Guild, Inc.; A. Kosoff, dean of dealers and *Coin World* columnist, and A. George Mallis, who authored with Leroy Van Allen the reference book, *Morgan & Peace Silver Dollars*, and who inspected large quantities of the dollars during his research.

Amon Carter, a Texas straight-shooter who never pulls punches, said he was in favor of getting rid of all of the dollars so GSA could get out of the business. He joined many collectors when he said he favored the lottery-type sale, an easier route for GSA, he reasoned.

In the absence of precision grading, Carter said collectors who were award-

ed coins through a random-type selection would accept less than perfect grading since they were aware they were taking a chance. But if the coins are described specifically, Carter said he would have a right to expect a precise grade. A rule of no returns could well be imposed if the coins were distributed at random. Critics of the GSA sales in the past have censured the grading, a red-hot issue in the hobby today. Carter said he loved to play poker, and if he didn't get something really nice in the sale, then that would be a chance he was taking. He said he thought the price would average out.

Kosoff was sharp in his criticism of GSA. If a coin dealer put over what they put over, he would be put out of business, the California dealer declared. He questions the GSA designation of "Uncirculated." Just because these coins never circulated, Kosoff said, GSA declares them Uncirculated, misrepresenting many of them because many are not in top condition.

This should not be permitted, Kosoff insists, and he branded the Uncirculated claims as gross misrepresentation, irresponsible and a rip-off, this business of no returns with items improperly graded.

The basic principal, Kosoff said, is to sell what they have for what they are. He indicated GSA could have lots of help for free, or very little cost to do the job right.

He agreed sight-unseen, random selection sale would be agreeable if GSA did not try to get top price for the coins.

But he returned to his posture that if GSA demanded top prices, it must have competent people grade them. Then GSA can place an embargo on returns because it has made an honest attempt to present the true condition. Grading, however, should be on the conservative side, Kosoff warned what he labeled the biggest coin dealer in the world.

As a tart after-thought, Kosoff said collectors who complain about other countries gouging coin collectors should take a look at our own govern-

ment. It's doing the same thing, he said—whatever the traffic will bear, he declared.

Author George Mallis said the dollars should be sold in single coin lots with no restrictions, and then in lots of multiples after the people who ordered one coin were supplied. A collector could order one coin, or in lots of five. A second disposal plan if they don't dispose of them on a single basis could be developed by offering lots of 10 with a 10 percent discount.

Mallis had firm prices in mind. The 1880's should sell for \$60, as before, he said, since this coin in MS-65 can be purchased for from \$75-80. He priced the 1881 at \$60, the 83 and 84's at \$20 with the '85's at \$60. The mixed years should be left at \$15, Mallis said. He pointed out the mixed years are uncertainties—some of the coins are overly bag marked, badly tarnished, but on the other hand, it could be the best buy of the year because there are some desirable coins in the lot, including toned coins not objectionable to collectors, and some choice dates. There should be no discount to purchasers of lots of 10 in the mixed years, Mallis said, because the collector is getting 10 chances that he might get one or more of the valuable coins.

Q. David Bowers pointed to earlier sales and the fact that prices sustained themselves fairly well. He is an advocate of a series of sales to sell the remaining million coins, perhaps in the same manner as the bullion gold sales. This would permit outside interests to learn about the coin hobby, he said.

The PNG president expressed concern that if the coins were auctioned off all in one lump sum, then prices might be unfavorably depressed.

He advocated another method—the pieces to be sold at fixed prices by the Treasury Department much in the manner of Proof sets. Bowers referred to the USPS philatelic advisory board—and expressed a long-standing *Coin World* hope—that consultation on the

silver dollar sales might be the impetus for setting up a government department which would truly be responsive to the needs of coin collectors.

To supplement these opinions, *Coin World* has some unanswered questions and observations.

We doubt if the government will melt the dollars—since they are considered an asset. Only a few collectors indicated a preference for melting in the *Coin World* survey.

We wonder how GSA will finance the sale—it is our understanding that it has but \$2 million left to conduct the sale. It seems the simplest of sales mechanics should be considered.

We hope GSA will take a good look at current market values—some of the minimum bids set a long time ago have gone below the current value, and some have done the opposite. It needs to reestablish prices at the current value and then consider best method and pricing for a sell-out. If GSA chooses a lottery method, there is precedent. The Interior Department is selling parcels of land in California by lottery.

GSA must have some numismatic consultation, in our estimation. For example, all of the coins are packaged—and contain a message from former President Nixon. Does this make them collector's items on top of collector's items? If a decision were to be made to repackage them (with a Carter message?) how could this be done without damaging the coins? At what cost? Who in GSA is schooled in numismatic marketing? Just because the coins are offered doesn't mean everybody in the world will want to buy them. It will take some special application. GSA must also abide by its rule of sustaining the market value of anything it sells.

If Congress authorizes the sale of additional Carson City cartwheels, we say Jay Solomon has his work cut out for him. But as one of Washington's most visible, creative and accessible officials, in Solomon we've got to trust!

Mrs. RUSSELL. If GSA will offer the coins in sealed envelopes, fulfilling orders at random, "grab-bag" fashion, with a suitable price concession, we predict this could be the final sale conducted at minimal cost to Uncle Sam. After all, the Government has realized sales of \$55,308,809 from the sale of 1.9 million coins some citizens insist belonged to the citizens at face value of \$1 each.

Many of our readers have proposed this simplified final disposition of the coins—single coin lots, in sealed, inert, no-nonsense envelopes, random-type fulfillment of orders at a fixed or shelf price. Collectors would understand they were taking a chance, and would accept less than perfect grading, and the no-return restriction.

Probably the most painless, least expensive way to distribute the coins is one proposed by the American Numismatic Association in 1967. At that time, ANA recommended the general public be allowed to buy the coins at a cost of \$5 each, plus postage and insurance. The ANA asked for 15 percent of sales for handling the then nearly 3 million coins. We have no figures on GSA marketing costs but we assume they were much greater.

In hearings before the House Committee on Banking and Currency July 26–28, 1966, on a bill authorizing the sale of standard silver dollars held by the Treasury, numismatic leaders testified there should be the widest, fairest possible distribution of the \$3 million at a reasonable cost.

At that time it was suggested a limit of 5 or 10 coins per buyer be imposed, with the coins to be sold in a sealed souvenir envelope at \$1 each if a donation of \$5 were made to the health agencies vying for the dollars.

I have been closely associated with every contemporary development relating to the last remaining Carson City silver dollars in Government hands, both as an editor and as a consultant to the General Services Administration.

Overall, I must report the earlier distribution of Carson City silver dollars was viewed as being fair and equitable by most collectors and dealers with the exceptions I have mentioned. The prices have sustained themselves fairly well, and there have not been any unfavorable repercussions. Laws of the marketplace, combined with public sensibility, took over after each of the preceding five GSA dollar sales. Price and demand have adjusted themselves. This is why we urge a careful consideration of today's coin market, and the supply of silver dollars available in 1978 in contrast to 1972 and the first GSA sale.

The now famous Reno, Nev., Redfield silver dollar hoard of 407,283 coins, acquired by a California coin firm in 1976, has gone onto the silver dollar market in an orderly fashion since the last GSA silver dollar sale. While the Redfield dollars by sheer volume has affected supply and demand, the resultant publicity and marketing techniques of the professional numismatists offering the coins has done much to enhance the attractions of silver dollar collecting. This could contribute favorably toward a GSA sales program.

Q. David Bowers, of Los Angeles, president of the Professional Numismatists Guild, Inc., an organization comprised of the Nation's leading coin dealers, indicates the sale of the coins should be conducted in a manner to sustain prices. He is not in favor of an auction offering

the coins all in one lump sum. This would depress prices, the general market would suffer, and there would be no sustaining value to our hobby, he points out.

I would never want to see a return to the incidents in March 1964, when dignified main Treasury building took on a carnival atmosphere. Thousands of collectors, dealers, and speculators learned older Morgan dollars were being distributed at the Treasury.

Many stood in line all night to acquire them. Others hired runners to carry thousand upon thousands of dollars. Some pulled wagons loaded with bags of coins. It took a Secret Service detail to restore order before Treasury officials called a halt March 26, 1964, because the nearly 3 million remaining dollars were Carson City specimens with high numismatic value.

Earlier Treasury release of some previously scarce New Orleans-minted Morgan dollars, dated 1898, 1902, 1903, and 1904, during 1962 and 1963 stimulated collector and speculator interest. I review this historical situation because this subcommittee may wish to consider it in the light of the marketplace impact.

In 1960 a 1903-O uncirculated silver dollar cataloged for \$1,500 in a Guide Book of United States Coins. This price was based on supply and demand at the time. The 1903-O in brilliant uncirculated condition was quite rare—few collectors or dealers-owned or handled them.

Then the Treasury released from its vaults a tremendous hoard of 1903-O dollars—a hoard which evidently was in excess of a million pieces. They were released at face value. The laws of supply and demand took over, and the price of 1903-O silver dollars in the marketplace dropped from \$1,500 down into the \$20 to \$30 range. Later it was to go as low as \$17 wholesale. This was not all bad, however; there was a minimum of complaining at the drastic drop, and the bonanza of 1903-O dollars did a fantastic thing for the hobby. It helped create interest and brought thousands of new collectors into the fold. Today a MS-60 1903-O silver dollar sells for \$70 or so, depending upon the choiceness of the surface.

Let us suppose the Government had not released its 1903-O silver dollars, but still had them today as part of the last remaining silver dollars. Would the Government price the coins at \$1,500, the catalog or Trends value? Even \$100 each would have been too high. Collectors buying the coins at even \$100 would have lost money and soured completely on the distributor, Uncle Sam's storekeeper, and on numismatics.

We believe the GSA staff has done a remarkable job of administering the Carson City silver dollar program to date. It is certainly one of the Agency's most unique projects. In marketing circles it is cited as one of the all-time success stories.

Should H.R. 9937 be approved by you and your fellow lawmakers, we are confident, since the amendment designates the GSA Administrator, the Honorable Joel W. Solomon, to authorize the sale of the pieces as he deems proper, it will be administered the most efficient and economic way.

We know there will be no sacrifice or neglect of the esthetics of numismatics. We are certain there will be recognition of the historic significance of these last silver dollars in Government custody.



Joel Solomon has demonstrated time and again his imaginative interest in art, history, and the cultural environment of our country. Numismatics embraces all of these, and the Carson City silver dollars are a great national legacy. It is good to know Mr. Solomon will treat them as such.

Thank you for your kind attention, Mr. Chairman, and members of your subcommittee. It is most reassuring—and significant—that this subcommittee, devoted to affairs of both historic preservation and coinage, is considering the direction of this amendment.

Chairman FAUNTROY. Thank you so very much. I take it from your testimony that you would not be unhappy if the prices recommended and proposed by Mr. Solomon were cut in half?

Mrs. RUSSELL. I think our garden variety coin collector would like that very much.

Chairman FAUNTROY. But you do not see the proposed—or the levels suggested by some of your people at \$5 at all being realistic?

Mrs. RUSSELL. No. I think that would be unfair. I think that would disturb the marketplace. However, I think when GSA considers the top range of the coin, that perhaps it ought to take these other factors I have mentioned and make some price concessions.

Chairman FAUNTROY. You made a reference on page 2 to the major hoard of over 400,000 silver dollars that has gone into the numismatic market pipeline. I suspect that is a reference you made later to the Redfield?

Mrs. RUSSELL. Yes; the Redfield collection.

Chairman FAUNTROY. On page 4, the third paragraph, you say:

We have attached to this testimony Coin World price trends for the past decade to allow members of the subcommittee to track marketplace prices of dollars.

I wonder if you would care to summarize—I haven't had an opportunity to look at that table. I wonder if you could take us through it?

Mrs. RUSSELL. Let us take a coin—these are all Carson City dollars, incidentally—a coin dated 1878—and again I am speaking of an un-circulated coin. In 1968, this coin was worth, according to Trends prices—that is kind of the Dow Jones of the numismatic market—\$9.75. By 1969, it had climbed to \$14.50. In 1970, it took a drop, climbed back up in 1971.

In 1972, it climbed to \$18, almost double its price. 1973, it was \$24; 1974, \$27; 1975, \$31; 1976, \$38; 1977, \$38; 1978, \$38.

Those last 3 years indicate there has been some stabilization of the silver dollar market; but you see from 1968 to 1978, the coin climbed from \$9.75 to \$38.

Let us take a rarity, 1889 Carson City silver dollar. This has never been offered in a GSA sale. In 1968, cataloged at \$750. It trends at the present time at \$3,250.

I think there are just one or two of those in the GSA inventory at the present time. If someone got that in a blank, unmarked envelope, I imagine they would go into numismatic orbit.

I can track another one if you would like, one that did not perform in such a sensational manner, a coin dated 1891, 10 years ago, worth ~~\$22~~ Tracking it right across, it went to \$27, dropped to \$24, back up to \$27, up to \$31, up to \$45, up to \$55, up to \$64; \$72 in 1976; \$87 in 1977; and in 1978, back to \$75.

Chairman FAUNTROY. Thank you. That sort of gives me an idea of what you had in mind.

On page 5, you mention the fact that the GSA offerings must bear new scrutiny. You mention Mr. Allen's and Mr. Mallis' book apparently, "Morgan and Peace Silver Dollars."

What is their essential argument?

Mrs. RUSSELL. It is more of a historic reference. I do not believe they have taken a strong position. They have simply analyzed the past sales. It is very strong in the history of the Carson City dollars. It is more of a background than a position.

Chairman FAUNTROY. I see.

Your poll in 1968 suggested that some 7,000 of your collectors had responded and that in 1977, it had come down to several hundred. To what do you attribute the significance of the drop?

Mrs. RUSSELL. I think two factors: One, I think many of our readers have acquired the dollars. I think there is not as much money in the numismatic marketplace these days as there once was. There is a kind of plateau in the numismatic industry. There are not as many dollars going into the numismatic marketplace as there was 10 years ago.

Chairman FAUNTROY. You suggested at one point in your statement that there be no-nonsense packaging of these coins. Is that considered "nonsense" packaging? [Indicating.]

Mrs. RUSSELL. I think GSA has very little choice but to go with this packaging. I like very much the idea of a label to clarify for the coin collector who goes into his grandfather's bank vault 100 years from now and pulls it out. He will have a better idea.

Chairman FAUNTROY. Do you agree with the segment of the numismatic community that feels this more elaborate kind of packaging of coins, particularly proof sets, is unnecessary?

Mrs. RUSSELL. That is the consensus of the hobby, of the collectors. They would prefer a simpler package.

Excuse me. I believe there are some coins that are not packaged in the Nixon package. Perhaps they could be put in a no-nonsense package.

Chairman FAUNTROY. Well, I yield to Mr. Pattison.

Mr. PATTISON. I have no questions, Mrs. Russell. I thank you for your testimony.

Mrs. RUSSELL. Thank you.

Chairman FAUNTROY. Thank you.

I wish now to call upon Mr. Grover C. Criswell, Jr., president of the American Numismatic Association, for his comments.

Accompanying Mr. Criswell, I understand, is the ANA's new legislative counsel, Mr. David Ganz, who appeared before us last year.

Mr. Criswell, welcome to the subcommittee. We look forward to your testimony.

**STATEMENT OF GROVER C. CRISWELL, JR., PRESIDENT, AMERICAN NUMISMATIC ASSOCIATION, ACCOMPANIED BY DAVID L. GANZ, LEGISLATIVE COUNSEL**

Mr. CRISWELL. Thank you.

Mr. Chairman, Mr. Pattison, it is a pleasure to be here.

Mr. Chairman, if it is all right with you, I have handed in a prepared statement of some length. I won't go into that entire statement at this time. I would like to just hit a few highlights and I will be glad to answer any questions if you or Mr. Pattison should have them.

Chairman FAUNTROY. Without objection, the statement, in its entirety, will be entered into the record.

You may proceed with your presentation.

Mr. CRISWELL. Mr. Chairman, Mr. Pattison, I am president of the American Numismatic Association, an organization of approximately 33,000 members, which we like to feel is sort of a spokesman for the 8 to 10 million coin collectors that do exist in the United States today.

Of course, most of these people are extremely active. They are the people that belong to coin clubs around the country. They are the people that are active and vocal, writing articles, writing books, things like that. That is the majority of the American Numismatic Association.

We do believe that the GSA should sell off the remaining hoard as quickly as possible in such a manner as to afford as many individuals as possible the opportunity of acquiring a specimen.

The existing law passed by Congress as part of the One Bank Holding Company Amendments Act of 1970, which itself acted pursuant to a recommendation of the Joint Commission on the Coinage, is unduly restrictive in that it provides that the GSA may sell one coin in each of 10 categories to a person.

It prohibits, for example, the Bureau of the Mint from selling the coins over the counter to tourists in Philadelphia, Denver, or even Washington facilities of the Treasury Department.

It similarly prevents the GSA from going back to individuals who have previously purchased coins to offer them any of the remaining 975,000-plus specimens that are left after five sales which did manage to sell approximately 2 million coins and raise \$55 million in revenue, as was mentioned earlier.

It is apparent if this restriction against multiple purchases is dropped the GSA will be able to sell off the remainder; but that without a change it will not be able to—barring, of course, an extraordinary appropriation on the part of Congress, which we do believe is unnecessary—to dispose of them.

The ANA believes there are potential buyers for the remaining Carson City silver dollars not only among coin collectors, but also among the general public.

This would include not only prior purchasers, but also visitors to the Philadelphia Mint, the Denver Mint, and the Treasury Department Museum in Washington.

It is our further belief that by modifying the one-coin-per-person ceiling, the remaining pieces could be sold out and a portion could be given on consignment to the Bureau of the Mint to sell at its facilities, assuming that they were receptive to such a program.

This would help maximize the availability to the public.

In the selling of this remaining 975,000-plus coins, Mr. Chairman, we believe that the GSA should not sell the coins at a price that is less than the original bid sale price set by the General Services Administration when the Carson City dollar program began.

This means \$15 for mixed-year Carson City dollars; and they could include in this category those that they believe might be below standard grade; might be below a fair grade; keep the price at \$30 for 1883 and 1884; and \$60 for 1881 and 1885.

To do otherwise we believe would be fundamentally unfair to the thousands of Americans, many of whom are not coin collectors, who purchased the pieces based on the GSA advertisement that proclaimed the coins to be a good investment with a solid future.

Frankly, Mr. Chairman, had any coin dealer advertised in the manner that the GSA advertised these coins proclaiming it as an investment, I am sure the SEC would have been on top of them.

Chairman FAUNTROY. Someone noted that. I think Mrs. Russell made reference to that. I take it GSA will be properly instructed by your comments.

Mr. CRISWELL. Thank you, sir.

Some years before this GSA program was announced in full, the ANA prepared a position paper which Mrs. Russell mentioned, which we advocated, that the silver dollars be sold for \$5 apiece on a lottery basis regardless of date, mint mark, or condition.

We no longer believe that this has merit for many reasons. First of all, the prices on the coins have gone up considerably. There are a lot more collectors of dollars at the present time. And we do not believe, most importantly, that it would be fair to those individuals, as I mentioned previously, who have already in good faith purchased them from the Government at the set price as previously set.

We believe, and we think that you folks should, too, that the initial price obligates the Government not to enter the market by selling off a hoard at a substantially lower price than initially offered, especially when there is an apparent market at the higher price.

The numismatic and daily press were very critical of the investment approach taken by GSA as I mentioned before.

The exhibits annexed to my prepared statement show clearly the ANA strongly believes coins are a good investment but we feel for the Government to cut-rate the Carson City dollars would make a mockery of their own advertising and sales program in the past.

Everybody may want something for nothing, but there is no reason that the Government should be the one to give it to them.

An examination of the remaining hoard of the 975,000 silver dollars-plus shows that there are many varieties and oddities among the remainder that are highly collectable in their own right. Without regard to date and mint mark alone.

Mr. Chairman, Mr. Pattison, if these mint mark varieties, if these errors, as has been mentioned, are to be sold separately, they could—this could so be done on a bid basis. They could be turned over to a reputable auction house and allowed to be sold to the highest bidder.

I do believe the Government should keep a substantial representation of these errors because the—for instance, our National Collection in the Smithsonian Institution would probably never be able to acquire such a fantastic set as the one that Mr. Solomon mentioned exists and which I have only heard about exists in the degree of errors running from one to the other or, as the error collectors call it, the clockwise error progression, which shows all the different types of errors that could occur.

I think rather than the Archives, I think it should be the Smithsonian Institution where there are numismatists running the organization over there, or at least the Numismatic Division of it. It could be properly displayed.

We do feel that the GSA should be permitted to reopen sales to prior purchasers, but with the original goal of the Joint Commission on the Coinage remaining intact to see the widest dispersal possible; and to that end, we would like to see over-the-counter sales by the mint considered as—again, as I stated—that the mint would be receptive to such a program.

Mr. Chairman, I would like to thank you, Mr. Pattison, and Jack Lamb, for his cooperation. I would be happy to answer any questions.

[Mr. Criswell's prepared statement, on behalf of the American Numismatic Association, follows:]



STATEMENT OF GROVER C. CRISWELL, JR. BEFORE THE SUBCOMMITTEE  
ON HISTORIC PRESERVATION AND COINAGE OF THE HOUSE COMMITTEE  
ON BANKING, HOUSING AND URBAN AFFAIRS AT A HEARING HELD AT  
WASHINGTON, D.C., ON THE 3rd DAY OF APRIL, 1978, ON HR9937

Chairman Fauntroy, Mr. Leach, distinguished members of the Subcommittee on Historic Preservation and Coinage, my name is Grover C. Criswell, Jr. and I am pleased to appear before you today in order to testify on H.R.9937, a bill which would amend the One Bank Holding Company Act of 1970 by altering one of the lesser known provisions of Title II of that Act as it affects the sale of certain rare and unusual coins (Carson City Silver Dollars) which have been in government hands for a number of years.

I am the elected president of The American Numismatic Association, the largest, educational non-profit group of coin collectors in the world. We are chartered by Congress and generally are thought of as representing some eight million American coin collectors. Accompanying me this morning is David L. Ganz, our legislative counsel, who is a practicing lawyer and who has published more than 1,200 articles on the subject of numismatics, some of which bear with the disposal of the silver dollars that are the subject of the proposed legislation. Additionally, he is the author of a leading law review article in the field, "Towards a Revision of the Minting and Coinage Laws of the United States," which appears in Volume 26 of the Cleveland State Law Review, pages 175 through 257 (1977) (Released March, 1978).



#### Technical Amendment

From the outset, Mr. Chairman, before commenting on the reasons or the merits of H.R.9937, I would like to note that a technical amendment to the proposed legislation appears to be in order. Specifically, I refer to the statutory citation contained in line 4 of H.R.9937, which refers to the location in the United States Code of §205(a) of the One Bank Holding Company Act Amendments of 1970. In the printed version of H.R.9937, introduced November 3, 1977, apparently by typographical error the U.S. Code citation to the law found in Vol. 84 of the Statutes at Large page 1769 is incorrectly given as 32 U.S.C. 317e note. In actuality, the citation should be 31 U.S.C. §317e note.

#### Background

The origins of the Carson City dollars that are the subject of this proposed legislation of course date back to the 19th century, although the problem of their disposition is considerably younger. Nonetheless, for the past fourteen years, since their discovery in sub-basement vault in the main Treasury Building in 1964, the government has had a problem in finding a viable means of disposing of some 2.9 million silver dollars classified by the government as "Rare, Uncirculated Carson City Silver Dollars."

An examination of contemporary news stories from the period, especially within the Numismatic Press, discloses that there were



a number of possible solutions for disposition of the coins. The late representative Wright Patman, who formerly chaired the parent Banking and Currency Committee of this Subcommittee, suggested that the coins be donated to the American Heart Association which could then sell them to collectors for a profit. Other members of Congress were quick to voice their support for a charitable donation of the silver dollars to various other organized charities. At the same time, some collectors called for the melting of the coins, claiming that the government had no right to depress prices within the coin market. Still others called for a lottery by which all comers would pay a nominal sum and under which they had the possibility of "winning" a rare coin.

Passage of the Coinage Act of 1965 led to the creation of a Joint Commission on the Coinage (31 U.S.C. §§301 to 304). As part of the responsibility of the Commission, it was given the opportunity to determine the fate of Carson City Silver Dollars held by the Treasury Department. On December 5, 1968, the Commission met in Washington and "recommended that the 2.9 million rare silver dollars being held by the Treasury be sold in a bid-sale basis." Immediately following the meeting, then Assistant Secretary of the Treasury Robert A. Wallace conducted a press conference at which he explained the rationale of the Joint Commission on the Coinage and the proposed method of sale, which he indicated the General Services Administration would conduct. As Mr. Wallace explained, "the G.S.A. will set a





price on the coins which will be related to the retail value which in turn is based on a variety of considerations..." the then Administrator of the General Services Administration, John G. Harlan acknowledged that "the fixing of the price is going to be tough", but, nonetheless, initial projections of the government were that the sales would bring in revenues of \$100,000,000.

One of the basic problems in organizing the sale from the very start was that in the case of six dates of coins that constituted the bulk of the government's holding, the number of pieces in the government's possession constituted a substantial portion of the number of coins of that date and mint mark actually minted. To be more specific, in the case of one coin, the 1884-CC, nearly 70% of all the coins struck of that year and mint mark were in government hands. The specific details of all Carson City Dollars in Treasury Vaults, together with the total mintage, and approximate percentage in Treasury hands, is listed in the attached chart.

In 1970, as part of Title II to the One Bank Holding Company Act amendments passed in that year, the decision was made to authorize the General Services Administration to dispose of the Carson City Silver Dollars in the manner recommended by the Joint Commission on the Coinage—that is, on a bid-sale basis. Rather than go into a long litany about the problems associated with the sale from the standpoint of hindsight, I believe it is best that a series of contemporaneous newspaper articles and feature stories pertaining



to the Carson City Silver Dollars be made part of the record. With the Chair's permission, I would like to make a part of the record at this point several newspaper and related articles not only from hobby publications such as Coinage, Coin World, and Numismatic News, but also from publications such as the New York Times and the Washington Post, all of whom have commented on the government's merchandising attempts with the coins.

(The articles referred to are annexed hereto as Exhibit 1)

Despite the fact that sales figures were initially optimistic, the General Services Administration did a more than creditable job in merchandising of the Carson City Silver Dollars, ultimately managing to obtain more than \$55,000,000. in revenue upon an appropriated expenditure of just over \$7,000,000.

The problem that the General Services Administration is now facing is that after going through five phases of sale, it is apparent that the enabling legislation which prohibits the General Services Administration from offering more than one coin from each category to an individual is, in effect, preventing the program from reaching a successful conclusion - that is, from selling out all of the coins. At the present time, there are approximately 900,000 coins remaining. In May of 1976, Jack Eckerd, Administrator of the General Services Administration, wrote to the Hon. Carl Albert, Speaker of the House of Representatives, transmitting a draft bill



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which would have amended the Bank Holding Company Act Amendments of 1970 by providing for an Amendment to §205(a) of the Bank Holding Company Amendments Act of 1970 by adding that "after the silver dollars have been offered at least twice in accordance with such recommendations, the Administrator is authorized to sell these coins by negotiation at such prices, including fixed prices, in such manner, and upon such terms and conditions as he deems proper."

In a letter dated May 29, 1977, to the Staff Director of this Sub-committee, our legislative counsel commented that it appeared from a reasonable reading of the Act, and the history of its operation, that the then proposed draft bill would defeat its own purpose. The reason for this is that as part of the merchandising and marketing program for the silver dollar coins, the General Services Administration made much of the fact that many of the coins, while of the same date and mint mark, contained numerous varieties and oddities which were in and of themselves eminently collectible. A recommendation at that time was made that a firm date be set after which the Administrator could sell such coins in the manner prescribed in the original draft (the same purpose of which would be accomplished by permitting it to be done upon enactment). At the same time, by recommendation, it was suggested that "such authorization shall not prevent the Administrator (of the General Services Administration) from negotiating consignment sales of said coins by the Bureau of



the Mint at its several facilities." What this would have done would be to not only permit the aim and purpose of the legislation to be fulfilled, but also to allow the Bureau of the Mint to sell the Carson City Silver Dollars as part of over the counter sales at the Philadelphia, Denver and San Francisco mints, as well as at the Treasury Museum in Washington. This would have made the coins available to many thousands of Americans who annually visit these facilities.

The General Services Administration was apparently asked to comment on the proposal, for in a letter to Chairman Fauntroy dated the 5th of August, G.S.A. responded first that they had no object to either deleting the provision of requiring that the coins be offered twice, or in the alternative adding an effective date or making the legislation effective upon enactment.

Secondarily, G.S.A. was of the position that the discretionary authority granted the Administrator in G.S.A.'s proposed bill would permit the Administrator to enter into agreements with other agencies of the Federal Government, including the Bureau of the Mint, for the sale of these coins. However, G.S.A. indicated that they did not favor this suggestion because "it would fragment sales activities. Sales could continue on an indefinite basis at such facilities, and over the counter purchases would be available only to those citizens who reside at or near the facilities where the



coins would be sold and to tourists visiting those facilities."

#### Substantive Recommendations

The wisest course of action that Congress could presently pursue would be to adopt legislation which would permit prompt and efficient disposal of the remaining 900,000 Carson Silver Dollars still in government hands. These coins have proved to be duly disruptive of ordinary and regular market forces, and, a consequence, individuals who purchased the coins as a result of representations made by the General Services Administration that they would be "good investments" continued to be placed in the untenable position of having the government control a significant portion of the market value of the coins based upon not so much the continued holding, but rather, the knowledge that at some point in the future, the coins will either be disposed through dumping upon the market, or in some other manner.

It is my belief that the General Services Administration is seeking to amend the legislation authorizing the sale of the Carson City Dollars principally as a means of eliminating the requirement that the coins be sold on such a basis that no more than one specimen from each date and mint mark can be purchased by an individual. What this would enable them to do is to utilize their existing mailing list, or other device, and presumably sell



off the remaining specimens to individuals willing to pay the minimum asking price that the GSA could set under the terms of the law.

I would like to add an additional possibility. The Bureau of the Mint of the Department of the Treasury over the past several years has steadily expanded its collector-service division such that it not only manufactures and sells proof sets and uncirculated coins to collectors, but, increasingly, has offered a diversified product line which is available not only by mail, but also over the counter at the various facilities of the Mint; this includes not only in the Philadelphia Mint, but also the Old San Francisco Mint, the Denver Mint, and the Main Treasury Building in Washington where a Mint Museum is maintained.

It would appear that there is no place more fitting to sell these coins than at the facilities of the Bureau of the Mint, which was the original manufacturer of the coins, and warehouseman for many years in the vaults of the Treasury Department in Washington. It is my understanding that the General Services Administration informally contacted the Mint in 1976 to inquire as to their possible interest in selling



these coins, and that at such time, the offer was politely declined. Nonetheless, it is possible that particularly in the case of the 1884-CC Dollar, which has approximately 428,128 specimens remaining, this could prove to be a viable means by which the coins could be sold.

It would also be useful to note parenthetically that the primary beneficiaries of such a sales policy would not be coin collectors. Instead, it would be the thousands of tourists who annually visit the various minting facilities, and the museums, who are in search for an extraordinary souvenir. It is my belief that the Carson City Silver Dollars would provide such a suitable commemoration of a visit to a major minting facility. In any event, it certainly could be tried on a trial basis given the overwhelming volume of 1884-CC Dollars which remain.

In my opinion, this would not fragment sales activity as the General Services Administration contends. Rather, it would more closely go to the original intent of the legislation which is to permit the Carson City Silver Dollars to be made available to as many Americans as may be possible.



In my capacity as President of the American Numismatic Association, I have travelled from coast to coast and spoken to thousands of coin collectors and hundreds of coin dealers. Without exception, the one thing that they fear is that the government will sell off the Carson City dollar hoard at a "discount" price. Nothing would upset the market more than permitting the coins to be sold at prices less than the bid-sale price initially set by the G.S.A. Not only would this constitute predatory pricing, but it would be grossly unfair to millions of individuals who were led to believe by the G.S.A. that the Carson City silver dollars were a good investment that would increase in value. As a coin collector for more than a quarter of a century, Mr. Chairman, I know that coins generally do increase in value. But if the government steps in and sells coins now at prices that are less than what they demanded several years ago, the effect on those who initially purchased the coins would be drastic.

The keystone, I believe, is for Congress to remove the restriction placed upon the sale which limited an individual to purchasing one coin in each category. The legislation presently before you for consideration today would accomplish this, and leave the G.S.A. Administrator with the flexibility needed in the event that this is not enough. It is my belief that there are enough individuals available to purchase the coins outstanding if the one coin per category restriction is lifted. I hope that you will agree, and urge prompt consideration and passage of the legislation as amended.

If you or any other members of the Subcommittee have any questions, I would be pleased to answer them. And, if the American Numismatic Association can be of assistance to you in any way, we are at your disposal. Thank you.





CARSON CITY SILVER DOLLARS IN TREASURY VAULTS (1964)

<u>DATE</u>	<u>QUANTITY</u>	<u>TOTAL MINTED</u>	<u>TREASURY PERCENTAGE</u>
1878-CC	47,556	2.212	-----
1879-CC	3,608	.756	.004%
1880-CC	114,911	.591	19.443%
1881-CC	122,651	.296	41.436%
1882-CC	382,880	1.133	33.793%
1883-CC	523,826	1.204	43.507%
1884-CC	788,594	1.136	69.418%
1885-CC	130,800	.228	57.368%
1890-CC	3,589	2.309	-----
1891-CC	5,157	1.618	-----

Note: Total Minted figures expressed in millions; Treasury Percentage means ratio of actual coins on hand to total mintage.

April 13, 1977

# GSA seeks legislation to authorize sale of remnants of Carson City dollar hoard

By David L. Ganz  
Special Correspondent

Carson City silver dollars held by the General Services Administration, portions of which were sold in nine different offerings over the period October 1972 through June 1974, are once again the subject of legislative controversy, as the GSA has renewed its attempt to persuade Congress to authorize their sale at prices substantially below the level of the previous "bid-sale" basis.

Draft legislation has been forwarded to Capitol Hill requesting Congress to enact a law which states that "After the silver dollars have been offered at least twice in accordance with (the bid-sale method), the (General Services Administration) is authorized to sell these coins by negotiation at such prices . . . in such manner, and upon such terms and conditions" as may be deemed proper by the GSA.

Additional terms of the proposed draft would permit the GSA to sell the coins at fixed prices, at additional auctions, or utilizing both methods in concert. Prospective purchasers could be limited to those individuals capable of making an offer on the entire remaining hoard of 97,589 silver dollars,

or opened up to permit individuals to once again acquire what GSA once advertised as "The Coins Jesse James Never Got."

Transmittal of the draft bill "To Amend the Bank Holding Company Act Amendments of 1970" was made Jan. 19, the day prior to President Ford's departure from office. The proposal was suggested by Jack Eckerd, Administrator of the GSA, a Ford appointee whose tenure had been renewed by President Carter.

Eckerd resigned, however, following a tiff involving Speaker of the House Thomas P. O'Neill Jr., in which the chief member of the Democratic party on the House side of Capitol Hill was accused of trying to undermine the GSA head through control of lower-level staff appointments. Ironically, the Carson City dollar letter with the proposal was addressed from Eckerd to O'Neill.

In substance, the proposal made by GSA is identical to one made in July, 1976, and has become necessary because the silver dollars now in GSA hands are like an albatross. Following discovery of hoards of silver dollars in the Treasury vaults in Washington, the Joint Commission on the Coinage decided on May 12, 1969 to dispose of the coins. There were, as Eckerd noted, three basic objectives.

First was to "insure the public a widespread opportunity to obtain the coins," second was "to obtain the maximum return on disposal for the Treasury," and finally, there was the aim of conducting the disposal operation within the government, rather than privately to assure profits remained with Uncle Sam.

The "bid-sale" idea was launched by Assistant Treasury Secretary Robert Wallace amid impressive fanfare, and the then-head of the GSA, Arthur Sampson, called an impressive press conference on Oct. 31, 1972 to explain what would become of the contents of the 2,850 bags of silver cartwheels.

"Problems with the method of sale — which allowed for individuals to bid on a single coin up to a specified amount but to obtain the coin for the lowest "acceptable" price determined by the GSA — cropped up almost from the start. First, the expected market never materialized. While the GSA ultimately spent \$7.8 million in pursuit of receipts that have aggregated \$5.3 million, a number of coins were deemed undesirable by collectors and other Americans at the minimum prices accepted by GSA.

Examples of the prices included \$15 for the 1878-CC, which quickly sold out the 47,556 pieces on hand, and the mixed

\* Please turn to page 18

COIN WORLD, April 13, 1977

# Carson City dollar hoard . . .

Uncirculated dollars not from the Carson City Mint, which saw \$5 minimum bids resulting in a clean sweep of the 270,549 pieces in holders manufactured especially for the coins.

By the end of the fifth sale (actually the ninth auction offering) the GSA was successful in eliminating seven categories of coins from inventory: 1878-CC, 1879-CC, 1822-CC, 1896-CC, 1891-CC, as well as mixed Uncirculated ("CC" Mint) and mixed circulated from all Mints.

But, leftovers included 4,261 pieces from 1890-CC, about

## Ivy supplements catalog

A supplement to Steve Ivy through double eagles. A Rare Coin Co.'s latest catalog, number of U.S. patterns, as featuring both 1785 eagles and well as commemorative half dollars, are also offered. half eagles, as well as \$3 gold, is currently available to readers.

Copies of the catalog are available from Steve Ivy, Rare Coin Co., 2001 Bryan Tower, includes coins from Colonials Suite 2205A, Dallas, Tex. 75201.

18,000 pieces of 1881-CC vintage, nearly 200,000 cartwheels dated 1883-CC, and more than 428,000 of the single most extensive item stockpiled, the 1894-CC. There were also nearly 300,000 circulated Carson dollars in remainder.

Aim now is to permit the GSA to rid itself of the remainder in any manner that it deems proper — even if it is not necessarily economical. The feeling is that the time has come to divest these assets, dumping them in effect onto a coin market to either collectors or dealers with sufficient capital to make the purchase. Conceivably, however, the coins could be sold for their bulk silver content and melted.

Legislation was forwarded to the House Banking subcommittee on Historic Preservation and Coinage, headed by Del. Walter E. Fauntroy, D-D.C. Subcommittee professional staff director Jackson O'Neal Lamb indicated the subcommittee would consider the draft proposal later in the 86th Congress.

Despite Eckert's resignation, the intent of the missive to Capitol Hill will be examined with due care and, Lamb stated, possibly before the end of spring, legislation itself might be considered — though he refused to predict what outcome might be possible, since none of the subcommittee members are familiar with the Carson City dollar issue.

# The New York Times

## An Auction for Silver Dollars



Carson City United States Mint in late 19th century. Now it is operated as a museum.

Jan 2 - 1971  
 NYT By ELIZABETH M. FOWLER

For numismatists and for those who use the less impressive title of just coin collector, a big event has just plotted one step closer to reality. It is the proposed auction of nearly 3 million silver dollars, called by some coin dealers the biggest such sale in history.

Late Thursday the Treasury announced that President Nixon had signed a bank-holding company bill that contained, like an afterthought, a rider calling for auction of the Treasury's last bagfuls of numismatically valuable silver dollars.

However, the sale cannot take place for several months, or at least until Congress follows through with an appropriation of about \$2.5-million.

The cash is needed to help the General Services Admin-

istration, which will handle the sale and to sort, price and box in plastic the assorted coins.

Since the sale centers around 2,837,000 silver "cart-wheels" minted at Carson City, Nev., plus a few thousand miscellaneous coins from other mints, it means that the price of preparing the coins for sale amounts to almost a dollar each (paper dollars, of course).

However, in view of the rarity of the coins and the high price for silver these days, the Government expects to receive some \$75-million from interested buyers.

Government spokesmen plead with avid coin-collectors not to write nor submit any bids yet because much planning remains.

The 2,837,000 silver dol-



Reverse side of type of dollar to be auctioned.

lars, bearing dates 1878 through 1885 and then 1890 and 1891, are stacked in 3,000 old bags.

Although uncirculated, some of the coins probably bear scratches, nicks or bag-marks, hence the need for careful sorting and pricing.

It is understood that buyers will be limited to no

## U.S. Is Grading Silver Dollars In Preparation for Big Auction

more than 10 coins each, with no more than one coin in each of the 10 available dates.

While the coins will be priced by the Joint Commission on the Coinage, prospective buyers probably will be asked to submit bids above the base price to make the auction competitive.

The supplies available for the various years follow: 1878, 61,000; 1879, 5,000; 1880, 131,000; 1881, 147,000; 1882, 607,000; 1883, 759,000; 1884, 968,000; 1885, 150,000; 1890, 4,000; 1891, 5,000.

All the coins are the so-called Morgan variety, with a classic head of a pretty woman on one side—the Goddess of Liberty.

On the reverse, there is an eagle and a wreath with berries. Actually, she was a 19-year-old Philadelphia girl, Miss Anna Williams, selected as a model by the well-known painter, Thomas Eakins.

He was asked to find a model in 1876 by the Government's engraver, George T. Morgan, who designed the coin.

Nobody knows how many silver dollars there are of the Morgan type and the more modern Peace type (a peppier looking young lady on the obverse, and a more streamlined eagle on the reverse).

Thanks to the increased world-wide demand for silver, the price of silver has risen, so that the silver dollars are worth more than face value.

The Government melted down more than 30 million

silver dollars during World War II, and probably fewer than 400 million remain in the hands of coin collectors, dealers, and in individual bureau drawers.

Many of the coins have been used for ornaments as pins, bracelets, tie clips, key chains and an occasional ash tray.

Norman Stack, a partner of Stack & Co., a prominent coin dealer and appraiser, is not very cheerful about the pending sale. He points out that the auction will mean more silver coins and hence will depress prices.

He points out that about six years ago the Government sold some silver dollars and immediately prices dropped, including the 1898 silver dollar minted at New Orleans which dropped from \$300 to \$5 in price.

"I only wish they had melted them down," he said, speaking of the 2,837,000 coins soon to reach the market.

Some current prices for Carson City, or CC, dollars are 1878 CC selling around \$12.50 to \$14 and 1891 CC quoted around \$25.

The G.S.A. sale does not include any of the 1889 CC, a good rare vintage year apparently since Mr. Stack quotes a price of about \$750 for a coin.

For anyone who wants to check whether he has a CC silver dollar, the CC mint mark can be found on the reverse below the wreath at 6 o'clock low, but just above the D and O that spell dollar.

# Government Sells Silver Dollars— 'The Coins Jesse James Never Got'

By Martin Rossman

It's difficult to say this but Uncle Sam is, well . . . huckstering

The U.S. Government, through the normally staid—if not stuffy—General Services Administration, has pulled all the stops in ballyhooing its offer of silver dollars from the long-closed Carson City, Nev., mint.

Normally, GSA ads and handbills have all the glamour of a brokerage house "tombstone ad" announcing a new issue of subordinated debentures.

A peddler standing on the street corner, hawking his silver-plated, automatic potato peelers from a suitcase couldn't have a more polished spiel, however, than the silver dollar promotion.

"The coins Jesse James never got!" That's the headline, in type straight off an Old West wanted-for-murder poster. The flier has gone out by the millions to numismatists.

A subheadline calls it "the great silver sale" and urges collectors to "get a piece of American history for yourself and your family."

Commenting further on "these cherished mementoes," the flier adds:

"The late 1800 and the early

1900 saw America become a Silver State—and neither did it inspire overwhelming buyer enthusiasm. During those tumultuous years, the West was financially won and the railroad was hedged down from coast to coast. From the silver lodes of Nevada came 90 per cent of silver dollars to line the pockets of millions of Americans.

"And today, the General Services Administration puts silver dollars from these exciting years on sale."

The sale is broken down into four categories, each with its own barnum-esque title. They are:

"The potluck!"—a mixture of circulated Morgan and Peace silver dollars from various mints, calling for a minimum bid of \$3 and an uncirculated mixture going at a minimum bid of \$5.

"The silver bonanza!"—"So little could buy so much history." Carson City silver dollars from years 1878-85 and 1890-91. Minimum bid, \$15.

"The Carson City '90/'94!"—1890 and 1894 Carson City uncirculated silver dollars. Minimum bid: \$30.

"CC triple choice!"—a choice of 1882, 1883 or 1891 Carson City uncirculated silver dollars. Minimum bid: \$30.

This is actually the second such sale by the GSA. The first, conducted last fall, didn't use quite as much hoopla—it was called "The Great

1900 saw America become a Silver State—and neither did it inspire overwhelming buyer enthusiasm.

A total of 1.69 million Carson City silver dollars for the years 1882-2-4 was offered at a minimum bid price of \$30, a GSA spokeswoman says.

All went at the minimum figure since only 816,000 were sold, the spokesman says.

"But we were able to return 23 million dollars to the general fund of the Treasury," she adds.

## Personal Finance

### Silver-Dollar Sales Not Making Dealers Turn Cartwheels

By JOHN H. ALLAN

The United States Government, applying some of the hoopla of a patent medicine peddler, is auctioning some 2.3 million old-time silver dollars, and some coin dealers contend the public is being duped.

"Mail now before you miss this opportunity," the General Services Administration urges in the 40 million brochures it is handing out in banks and post offices across the country. The coins are a collector's item.

The flier talks of the Comstock Lode, Nevada saloons, hurdy-gurdy girls and the Big Bonanza pouring through the Carson City, Nev., branch mint. President Nixon adds his endorsement.

Worst of all, coin dealers contend, the Government calls the dollars "sound investments," and that's something no one really knows.

Numismatic News this week warned that the coins stand "an excellent chance" of falling below the \$30 minimum price the Government is asking and may remain well below \$30 for many years.

In the offering, the Government is selling through Jan. 31, 1973, some 2.3 million silver dollars minted in the Carson City mint in 1882, 1883 and 1884. The coins were discovered in a sub-basement of the Treasury in 1964; more will be offered later.

The criticism is not valid, says Lance Swann, who joined the General Services Administration over a year ago to handle the intricate problem of marketing the coins the way Congress directed. The instructions were



One of the Carson City silver dollars being offered by the Government.



to get full numismatic value and help the tax payer as much as possible.

Mr. Swann insists the Carson City dollars are indeed sound investments, and he notes the \$30 minimum price is well above the \$15 to \$20 at which 1882-1883-1884 silver dollars traded in 1964 when the cache now being sold was discovered.

"Why isn't the price plunging if everyone is aware we're going to put so many on the market?" he asks.

Coin dealers disagree. Norman Stack, a partner of Stack's, the country's "oldest and largest" coin dealers, urged the Securities and Exchange Commission to halt the G.S.A.'s promotion on the ground that its brochure misrepresents the coins by describing them as "excellent for investment" and also for omitting to show how the

## Personal Finance

sale will add to the supply of dollars of these particular years.

The Government is offering 611,000 dollars minted in 1882, which is 54 per cent of the total made in Carson City that year; 756,000 dollars from 1883 (63 per cent) and 965,000 of 1884 (86 per cent).

The actual number the G.S.A. sells may be 5 to 10 per cent smaller than these figures, for some of the coins are not being offered because they are tarnished or nicked.

Even so, the "flood" of these coins will upset the market tremendously, Mr. Stark asserts and other New York City dealers agree.

The S.E.C., in reply to Mr. Stack, says no security was involved. Just because the Government's pamphlet described the Carson City dollars as "excellent for investment" does not necessarily mean an offering within the jurisdiction of the agency, Thomas N. Holloway associate director of the division of corporate finance, explains.

To Joel Coen of the Coen-Messer Company, a coin company here, the S.E.C.'s reply is unsatisfactory. The commission's regional office, he reports, told him back in 1963 to stop Wall Street Journal advertisements that described bags of silver dollars as "investments."

To some numismatists, the G.S.A. flier appears at least imprecise. The Rev. Richard T. Deters, director of Xavier University in Cincinnati, wrote to Senator Robert Taft of Ohio to "strenuously object" to the language of the brochure.

The dollars are described as the "only coins with a double mint mark (CC)" and so are a "collector's item. Not so, says Father Deters. There are dimes, quarters, halves, Liberty Seated dollars and some gold coins with the CC mark.

They are "the last of the 90 per cent silver dollars," the G.S.A. states. Not so, says Father Deters. The G.S.A., after the sale of the 1882, 1883, and 1884 dollars, will continue to have for disposal a total of 514,000 CC 90 per cent silver dollars minted between 1878 and 1891.

The coins are "uncirculated specimens" and "mined from the Comstock Lode." Neither statement can be

proved beyond a shadow of a doubt, declared Father Deters.

At the assertion the CC dollars are "excellent for investments," Father Deters becomes emphatic. "I hesitate to accuse them of deliberate deception, but in the face of their abysmal ignorance of the Morgan dollar price history they have no business to counsel taxpayers on coin investments."

To support his view, Father Deters cites sharp declines in other Liberty head dollars, which were designed by a man named George T. Morgan. One minted in New Orleans in 1898, for example, dropped from \$300 in 1963 to \$5 in 1964.

John S. Pittman a retired Rochester, N. Y., chemical engineer and president of the 28,000-member American Numismatic Association, agrees that you can not predict investment value.

He also reports that some collectors are unhappy with the Government's rule that the dollars are to be sold on a no-return basis. Most dealers give numismatists 10 days to examine coins and return them if they do not like them.

While all the fuss is going on, mint workers are busy at West Point, separating out tarnished and scratched coins and putting them in "attractive presentation cases." Anyone who wants these old dollars is puzzling what to bid, and it's difficult to judge what the demand might be.

To buy the Carson City dollars, anyone who wants to bid can fill out the order form at the bottom of the G.S.A. brochure available at banks and post offices. An individual may bid only on one coin of each year, and that bid must be at least \$30 for each coin.

Only United States citizens may bid. Bids are to be submitted in whole dollars only. Payment by check or money order must accompany bids.

If the Government receives fewer bids than the number of coins being offered, it will fill all bids at \$30 and refund any amounts that were bid in excess of \$30.

President Nixon, in promoting "the great silver sale," says the coins are one of the most valued reminders of the nation's heritage as it approaches its bicentennial. By the criterion, perhaps a 1776 Continental pewter dollar might be even better, but then they cost about \$1,500 each.



# GSA 'Masked Riders' Find Collectors Cool to 'Rip-Off'

BY David L. Ganz

Many days after the U.S. government's selling arm, the General Services Administration, began its bid sale of 2.3 million unretreated Carson City dollars issued in 1922, 1923, and 1924, Phase One of what was advertised by the government as "The Great Silver Dollar Sale" ended on a note almost as anticlimactic as the one on which it began.

On Oct. 21, 1972, Arthur F. Sampson, head of the GSA, launched "the long-awaited sale of the rare unretreated Carson City Silver Dollars." The sale, initially authorized by the Change Act of 1961 and funded by the One-Bank Holding Company Act of 1970, was designed to liquidate the majority of silver dollars that had been stored in Treasury Department vaults since before the First World War.

Phase One of the sale, as Sampson described it, would involve the bulk of the 2.3 million silver dollar holdings. About 2.3 million dollars issued in 1922, 1923, and 1924 were to be made available to the public at a maximum bid price of \$20 per coin.

In an interview granted when he revealed the procedures of the sale, Sampson said that he expected "a lot of competition" in the first sale. He noted that

"people will probably try to buy (dollars) for other purposes," and that the GSA "expects 3 million bids for this sale." With Phase One concluded, the record simply does not measure up to these expectations.

Part of the trouble, undoubtedly, can be traced to the government's advertising campaign. Features and order forms for the Carson City dollars were spotted in more than 100,000 locations across the nation. But



the manner of advertising was potentially disastrous, because the coins were called "collector's items," purchasers were told that each dollar had "an extraordinary value," and the coins were sold to be "absent for investment."

Many coin dealers throughout the country voiced loud complaints about what they considered to be totally false advertising. Harvey Shank, of Bank's, New York, formerly

complained to the Securities and Exchange Commission about the use of the words "sound investments," which, he felt, were false. The SEC refused to take any action against the GSA sale technique, however.

Had the criticism ended there, perhaps there would have been no damage, but the New York Times, the Washington Post and other national and hobby publications picked the story up, further lowering the public's confidence.

Instead of 3 million bids, GSA received only slightly more than 200,000. According to Debi Debe, assistant to the director of the Carson City dollar program, "the average bid was just over two coins per person." This amounted to the selling of approximately 700,000 coins of the 1.7 million lot (600,000 coins having been removed from sale as not unretreated). Although the GSA took pride in the fact that one-quarter of all the coins sold were sold, it is a more reasonable estimate to note that 60 per cent of the coins offered were not purchased or even bid upon. Everyone who bid \$20 or more got a coin.

A second bid period for coins of the same date began Feb. 13, to run until April 30. The aim is to sell the remaining 1.1 million coins. GSA's chief Sampson believes that the second sale will be more successful because of "the great national interest generated by the historic silver dollars during the limited time we had to inform the public in the initial sale."

In the event that all the coins are not sold this time around, they will be offered again and again until they are. According to Debi Debe, the congressional authorization for the sale provides no alternative. She commented, however, that it is "quite possible that the next sale would generate more activity" than did the first.

The government took in more than \$40 million from the 2nd sale, based on the \$20 final bid figure. Although Sampson had said in October that he expected "to receive \$40 a coin," and this was not realized because of the lack of bidders, the GSA was nonetheless happy.

Although there were bids over \$20 (indeed, one was recorded for \$1,000 for each coin for a total of \$1,000), all amounts paid over that figure were refunded. The man who bid \$1,000 received a refund check for \$1,000.

If the sale of the first round of silver dollars proves anything, it is the general and overall

1. MAR 13, 1972 WASHINGTON NEWS SERVICE



Cartoon by Doug Watson

impetus of the government in trying to enter the marketplace as a dealer. The absorption capacity of the market was far from what the government assumed it would be. The fact that three-fifths of the coins being offered could not be sold verifies this. But even more fundamentally, this sale could well be called the "Great Silver Dollar 'Rip-Off,'" for that is truly what it was. Testing common, unretreated (but not

MS-40) silver dollars as sound investments, rarities, and collector's items may seem like a great line for a shady dealer offering coins to non-collectors, but for the U.S. government to lower itself to this level is inexcusable.

Perhaps in Phase Two, Three, Four etc. it will be different. Perhaps GSA has achieved the "Pater principle," which is to say that it has reached the maximum level of inefficiency.

[From The COIN WORLD, August 11, 1976]

# GSA may get OK to sell last of CC silver dollars

By David L. Ganz  
Special Correspondent

Plans to sell the 977,509 rare and common date Carson City dollars that still remain in government hands have been formulated and finalized by the General Services Administration, the legal custodian and administrator for the coins. Legislation will be introduced shortly in the Congress to clear the way for the final disposition of the coins through direct and indirect GSA sales.

Introduction of legislation is expected before Congress begins its election recess. Preparatory work has been ongoing since early summer between the GSA and the staff of the House Banking, Currency & Housing subcommittee on Historic Preservation and Coinage, which has legislative jurisdiction over the silver dollar disposition.

Staff director Jackson O'Neal Lamb told Coin World that the subcommittee chairman, Rep. Robert G. Stephens, Jr. D-Ga., would introduce the appropriate legislation and then seek prompt consideration by the House of Representatives. Lamb has acted as the principal liaison between the GSA and the subcommittee, and has taken an active role in helping to define the means, and the end, of the proposal.

Draft legislation prepared by the counsel of the General Services Administration would authorize the sale of up to 977,509 silver dollars in GSA hands "by regulation at such prices, and in such manner, and upon such terms and conditions" as the administrator of the GSA "deems proper."

## GSA Carson City Dollars

Date	Sold	Remaining
1880-CC .....	110,650	4,261
1881-CC .....	103,691	18,960
1883-CC .....	328,102	195,724
1884-CC .....	360,505	428,128
1885-CC .....	90,202	31,545
Mixed Circulated .....	170,289	298,971

Each of the silver dollars in GSA hands are part of the remnants of a hoard of 2.9 million silver dollars that were found in the vaults of the Treasury Department in Washington, D.C., more than a dozen years ago. More than 2,000 bags of the silver cartwheels had been stored in the vaults for decades and, while counted as official reserves, were virtually lost.

They were stored separately from the bags of other silver dollars that the Treasury Department frequently opened and sold prior to 1963, when collectors were permitted to exchange Silver Certificates for the coin equivalent.

Following the rediscovery of the hoard, an initial sorting took place and officials discovered that there were approximately 2.2 million Uncirculated silver dollars from the Carson City, Nevada, Mint, and about 670,000 pieces coming from other Mints and found in various states of preservation.

Because of the governmental policy of allowing the price of silver to rise and the demonetization of silver coinage, it was not possible for the government to merely release the coins into circulation. Instead, the Treasury Department, which had jurisdiction over the dollars, asked the Joint Commission on the Coinage to evaluate the problem and come to some tentative solutions.

Created by the Coinage Act of 1905, there was actually little that the Joint Commission on the Coinage did before it was allowed to ex-

# They may get OK to sell off last of CC silver dollars

COIN WORLD, WASHINGTON, AUGUST 11, 1974

pers in the early 1970s. But it did give extensive consideration to the Carson City dollars held in Treasury vaults, and how to expeditiously permit their disposal.

Rep. Wright Patman, then the powerful chairman of the House Banking Committee, and a member to be recalled with on the Joint Commission, made a powerful pitch to give the coins to the American Cancer Society, and then allow that organization to give away the coins and keep the proceeds. For a time, the proposal was favorably considered, but other similar groups began to ask for their fair share, and the idea was shelved.

After several years of consideration, and extensive staff work, the Joint Commission Administration decided that the coins be sold by the General Services Administration on a "bid-sale" basis, with proceeds going to the Treasury's general fund.

Presently, for the bid-sale would work was left to the GSA, but Treasury Assistant Secretary Robert Wallace suggested that the Treasury's selling arm "would offer these coins for sale at a fixed price... in the event orders exceed supply for coins," would permit buyers to bid for the coins auction-style, in modified form. This is precisely the method that was ultimately chosen.

Not until Oct. 31, 1973 were the plans finalized, when GSA administrator Arthur Sampson told a packed Washington press conference the precise details on the selling of the rare dates. In an interview at that time, Sampson predicted that "around three million bids" would be received, and that "all of the coins" would be sold. When questioned perfunctorily by this reporter at that press conference what contingency the GSA planned in the event that all of the coins did not sell in the initially planned sales, Sampson reportedly prefaced any reply with the disclaimer that "Well, of course, they're all going to sell, so what does it matter?"

Part of the problem with the GSA plan for the national mail bid sale was that the coins involved did include rarities, but also many coins with relatively common dates. The latter were evidenced in great quantity in the Carson City dollars that were in the Treasury's possession, more than half represented a significant percentage of the total quantity manufactured, and were thus potential market price-breakers.

for the GSA staffers felt that further expenditures for advertising, and other efforts required for yet another massive public sale would not produce an appropriate yield for the effort expended.

Consequently, plans were drafted to find an alternative. As the GSA heard noted in a letter to chairmen Stephens, the aim of the Carson City dollar administrators was to keep within the three objectives of the Joint Commission on the Coinage: "(1) To assure the public a widespread opportunity to obtain the coins, (2) To obtain the maximum return on disposal for the Treasury, and (3) To contact the deposit in the government, rather than through private hands."

Expanding the agency's proposal, the GSA administrator contended that "Because of the high cost involved in conducting mass and limited quantity (1980 and 1981) sales, which constitute 90 percent of the remaining coinage inventory... it is no longer cost-effective to offer the remaining coins under the same terms of sale as previously used."

Specific proposals for the sale include the recommendation that the "GSA Administrator be authorized to conduct further coin sales under such terms and conditions and prices as he deems proper."

Jack Lamb amplified this statement, indicating that under the proposed change, it would be possible for the GSA to authorize individual sales to collectors, similar to the manner in which the Mint sells Proof coins each year, or to permit wholesale arrangements whereby dealers would be permitted to make quantity purchases at discount prices — not unlike the Treasury marketing technique for Bicentennial three-coin sets.

The administrator of the GSA, Jack M. Eckhard, was careful to note that the major goals of the Joint Coinage Commission were realized. "Since over two-thirds of the original coin inventory has been utilized on the basis of one coin per category per person, the goal of allowing all the public to obtain the coins has been achieved to a significant extent."

★ ★ ★

If Congress takes no action on the measure, the future of the Carson dollars may be in deep doubt, for Eckhard has stated that "Pending enactment (of the legislation proposed), coin sales will be suspended."

Assuming that the measure is considered non-controversial, it could be passed through the Coinage subcommittee without hearings; for extensive staff-work has already been done on the measure, and Sun brought up under maintenance committee in the House. Prompt Senate approval is also considered likely.

Estimates are that from the time legislation is introduced, to an actual passage for new sale by the GSA, about six weeks would be required — so the earliest that collectors might expect to see the silver dollars on the market would be sometime this fall.

From that first sale, the GSA was quick to conclude that a sell-off of the dates held in vast quantities was unlikely. Whether the 90 minimum bid price was the cause or not remains problematical, however, after the first sales effort, some 261,060 pieces of Uncirculated 1982-CC were sold, leaving a 9,200-piece balance, with 267,733 pieces of the 1984-CC were snapped up by the public, leaving a seemingly astronomical remainder inventory of more than half a million pieces. Not quite half of the 1982-CC supply was purchased.

From the GSA standpoint, the second sale in the summer of 1973 was more successful, ultimately the best results of all. The 1974-CC, with a minimum bid of \$15, quickly sold out the 47,200 pieces on hand. Mixed Unc. pieces set from Carson Mint, with just a 10 minimum bid, saw the entire allotment of 279,339 pieces sell out, too. Also cleaned out were the 1980-CC and the 1981-CC, neither of which were quantitatively in great supply.

★ ★ ★

Once again, the 1980-CC was put in, and some 54,000 pieces sold. But that meant that the 1982-CC and 1984-CC sales efforts, 35,600 remained in government vaults. The 1983-CC sale from Carson were less than 100,000 pieces, and the end of Phase 2 of the sale of the "Coins Issue James New York," the government still had on its hands more than 600,000 "CC" dollars dated 1983 and 1984.

Sale three in October, 1974, saw partial liquidations of the 1980-CC, 1981-CC and 1982-CC, and a complete sell-off of the 83 minimum bid mixed circulated dollars, which comprised fewer than 100,000 coins of the original 2.9 million pieces found in the Treasury vaults. The fourth sale, offering a single coin — the rare 1979-CC which had a 900 minimum bid — saw all 2,000 pieces quickly sold.

By the end of sale number five, the GSA had successfully eliminated seven categories of coins from inventory: 1979-CC, 1979-CC, 1982-CC, 1980-CC, 1981-CC, mixed Unc. (Carson City Mint), and mixed circulated (all Mints). Left as the white elephant were 6,581 pieces of 1980-CC, some 19,400 dollars of 1981-CC vintage, about 100,000 of the 1982-CC curbside, nearly 300,000 circulated Carson City dollars, and more than 624,000 dollars of the most extensive holding, the 1984-CC.

After expending more than \$1 million of the \$10 million appropriated by the Congress, to reevaluate the market to see if a halt at those in charge sought to revitalize the market to see if further sales were warranted.

All told, the government had sold 655,200,000 from the sale of the Carson dollars, and just over \$1.3 billion in administrative expenses in the last seven years. The 1984-CC dollars given them by the Joint Commission on the Coinage. It was clear that to sell the remaining 977,000 silver dollars, something beyond the original "bid-sale" would be required.

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Chairman FAUNTROY. Certainly, I would be pleased, Mr. Ganz, if you had comments to add, to hear them prior to our questions.

I have two questions, Mr. Criswell. In the first instance, I understand at one time there were those who felt that ANA might be a feasible vehicle through which the GSA might dispose of the coins. Would you care to comment on that now?

Mr. CRISWELL. Well, I think, initially, yes. I think the ANA probably could have handled the sale of the coins at a much cheaper price to the Government and a higher rate of possible productive return. But I must say, Mr. Chairman, that I generally agree that private business is able to operate many functions that Government operates at a higher cost. I think many surveys have shown that. I think that is a moot question, since it has been handled in the past by the GSA. It is already in their possession. It is already packaged in the unnecessary, frivolous packaging. I think possibly the GSA could go ahead and handle this sale at the present time.

Chairman FAUNTROY. Do you feel that there is any significant segment of the numismatic community actually supportive of melting the coins down?

Mr. CRISWELL. No, sir, I do not. People have said that they would not be objectionable to that as a last resort than to see them dumped on the market and the market turned topsy-turvy. Generally, I do not feel that any segment of the market, either collectors or dealers would like to see them melted. The general consensus of opinion that I hear everywhere is they would like to see them sold, so there is no longer a Government ax, if you will, hanging over the head of dealers or buyers or purchasers.

Chairman FAUNTROY. I want to make note of an error. Since we have been talking about errors, in Mr. Solomon's statement, which was read, I have been advised that this was a typographical error. There would be a limit of up to five coins per person in the 1880-81-85 categories. Up to 100 coins per person in the mixed year categories.

I understand that that will be corrected for the record and in a letter for those who may have been misled by that.

[The typographical error referred to by Chairman Fauntroy in Mr. Solomon's statement has been corrected. See p. 6.]

Thank you.

Mr. Pattison?

Mr. PATTISON. Just a follow-up question on what I asked Mr. Solomon. I take it you would agree also that there should be some date in advance set for the first offering?

Mr. CRISWELL. By all means.

Mr. PATTISON. And well enough in advance to allow the broadest possible number of people to participate?

Mr. CRISWELL. Yes, sir.

Mr. PATTISON. Without having the checks returned?

Mr. CRISWELL. While I am president of the association which has 33,000 members, we were chartered as a nonprofit educational numismatic institution in perpetuity by Congress in 1962. Our interest is, of course, to get the broadest national interest as would be possible in this coinage, which we feel is very historical, because, after all, this helps our association, as well as the education of the public. That is what we are committed to.

Mr. PATTISON. So, once GSA decides on a plan, for instance, it would then give notice to the public in whatever way was possible? Let us say they decided on a plan in the middle of May, they would say nothing postmarked prior to August 1 or something like that would be acceptable?

Mr. CRISWELL. I think that is a very good idea. I think, frankly, the way it was advertised through the post office before, with some advertisements in the post office, I think that was a very, very satisfactory way to go about a certain amount of advertising on it. I think the customers that would walk into a post office today and buy them from that advertisement, it is sort of a whole new ballgame. A lot has changed in 6 or 7 years.

There is a different type of person walking in and out of the post office now than there was then.

So I think it is a very good way to get it out.

I think that the—if I might mention one other thing, too, Mr. Chairman, and Mr. Pattison, the computer production of orders, as used by the mint, is a very good point. If they would get—if the mint has available 8 million proof sets and they get 20 million orders or 12 million orders, they have a computer reduction of the amount of orders, one or two are reduced from three to two per person.

I think that system could be very well utilized with this dollar order to make them available on as broad a basis as possible.

Mr. PATTISON. I agree. It is more complicated, but it would be fairer.

Mr. CRISWELL. I don't think it is that complicated, in all fairness.

I think the fairness of the thing would be worth more to the public than the little bit of complication or expense.

Mr. PATTISON. No further questions.

Chairman FAUNTROY. Thank you so much, Mr. Criswell, particularly for that last note which is something we hadn't mentioned on the record here.

I certainly appreciate your testimony and the leadership you have given.

Mr. CRISWELL. Thank you. Feel free to call on the association at any time. We have advised your staff director, Mr. Lamb, to call on us at any time. We will be glad to help, if we can.

Chairman FAUNTROY. Thank you.

Mr. CRISWELL. Thank you very much for inviting us.

Chairman FAUNTROY. Before we adjourn, I want to call your attention to a statement from the publisher of Numismatic News, Mr. Clifford Mishler, which—hearing no objection—I will ask to be included in the record.

[Mr. Mishler's statement follows:]

STATEMENT OF CLIFFORD MISHLER,  
PUBLISHER OF NUMISMATIC NEWS, COINS MAGAZINE, WORLD COIN NEWS AND  
COIN PRICES.

Mr. Chairman and members of the committee: I appreciate being accorded the opportunity to submit testimony in support of H.R. 9937, a bill which would authorize the General Services Administration to dispose of the unsold remainders from the government's hoard of Carson City silver dollars.

This is a question which is of vital concern to the coin collecting fraternity. What I will offer you today is a studied assessment of the direction which the General Services Administration should follow in divesting the government of its remaining Carson City silver dollar holdings, generated from the broad base of input provided by our 250,000 readers.

Let me introduce this subject by saying that while I would have done some things quite different in the conduct of the 1973-74 sales series -- hopefully providing a better result -- in the overall I don't feel the project was too wrongly handled. After having handled those historic old dollars quite a lot over the past seven or eight years, however, it's time for the GSA to get out of the coin business permanently. (See attachment A.)

Actually, two of every three coins originally represented in the hoard have been dispersed. Very importantly, all of the government's holdings of the 1878, 1879, 1882, 1890 and 1891 classified issues are now gone, so there is no longer a cloud of uncertainty hanging over the marketplace so far as the performance of these issues is concerned.

I believe the same observation can be made with respect to the 1880, 1881 and 1885 date categories which remain in supply. Here the quantities available of these issues have been drawn down to a point that they exert only the slightest influence over the marketplace.

That leaves only the 1883, 1884 and "mixed imperfect uncirculated" categories with which we must be quite concerned ... concerned with the influence GSA's actions will have on the marketplace ... and concerned that the next move will result in complete disposition of the sizeable quantities remaining in each of these three categories. (See attachments B and C.)

It has been suggested ... and not unreasonably ... that perhaps the 978,826 pieces remaining could best be disposed of by melting them down. While I would not campaign against such a solution ... I can visualize a sale avenue which I feel would be fully successful where both the hobby marketplace and the GSA are concerned.

I believe another sale should be conducted under a format very similar to those observed for the first five sales ... but with a couple important variations. On three categories bids would not be limited to one coin per person, and in two categories the minimum bid figures would be lowered.

So far as the remaining quantities of 1880, 1881 and 1885 dated issues are concerned, the minimum bid sale offering should remain \$60 per coin, with a restriction of one coin per bidder. I've reached this conclusion based on two factors; 1) The volume of sales realized in each of these categories during the third

sale phase which ended June 30, 1974. 2) The fact that the current retail market level for uncirculated examples of these issues ranges from \$94 to \$104, and the "buy" base ranges from \$67 to \$74. (See attachment D.)

The existing \$60 minimum bid figure is exactly the right one at this point in time for these categories. Actual bids will probably range upward from that figure slightly, but I feel certain that even an upward movement of as little as \$5 in the minimum bid figure could well leave GSA with an unsold remainder, at least in the 1885 category. Remember, the bidders are still buying a pig in a poke.

The "buy" and "sell" price ranges I have quoted pertain to specimens of MS-60 and MS-65 (uncirculated and choice uncirculated) qualities. Many of the government's Carson City hoard coins are of the lower quality, and some few only qualify for the AU-55 (almost uncirculated) quality, although there are certainly significant numbers of splendid MS-65s.

I feel qualified to be so specific on this subject, because not only have I observed quite a number of the coins which have been sold out of the hoard ... I also examined random, representative examples of all issues in Washington and at West Point when the packaging line was being set up. In fact, I was a very insistent opponent of the GSA's original sort/packaging plans which had called for all of the dollars, no matter how battered or tarnished they might be, to be sealed in holders identifying them as "uncirculated."

It was my opinion that such a course would be detrimental to the point that it would result in an undermining of the hobby's



grading standards ... after all, these coins would have been dispersed in "official" government packages which identified them as being "uncirculated." I worked hard in opposition to GSA's original stance, and in the end was called to West Point for the purpose of establishing standards which would be followed in consigning specimens to the uncirculated categories. (See attachment E.)

The "mixed (imperfect) uncirculated" category, to which nearly 688,000 of the dollars were consigned as a result, was assigned a minimum bid figure of \$15. I feel fairly confident that if this figure is observed again, a complete sell-out of the remaining 299,540 pieces will be achieved. I believe that because \$15 is today about the minimal value level for a Carson City silver dollar in decent shape, and collectors have learned that a lot of prized pieces are hidden in this category under a layer of tarnish or toning. Evidence of this fact is provided by the sales increase from some 170,000 pieces in the sale which ended on July 31, 1973, to 218,000 for that which ended on June 30, 1974.

Now, we come down to the two tough nuts ... the 1883 and 1884 dated issues. There's just no way GSA can sell those categories out in the perceivable future at prices of \$30 each.

Today, the retail market values in these categories range from \$29 to \$35 in the uncirculated qualities, but the "buy" prices are only \$21 to \$25, on a speculative market. (See attachment D.)

The only way to sell-out these categories is to drop the minimum bid price to \$15 per coin ... and to allow bidders to go for up to, let's say, five pieces per category (perhaps such an opportunity should be opened up in the "mixed uncirculated" category as well).

I understand that this committee, and GSA, is probably concerned about the possibility that some of those who purchased coins in these categories under previous offerings might feel cheated, but I don't think the government is under any obligation to try and support an artificial price level. It didn't work with silver ... it's not working for gold ... or for 1882, 1883 and 1884 CC silver dollars.

The coins in these categories were only \$15 to \$20 coins to begin with. Anyone who doesn't realize that at this point has his head stuck in the sand. In particular, you'll note, the 1882, which sold out nearly four years ago, trades today at indistinguishably the same prices as the 1883 and 1884 issues. The trading level for the latter issues will, of course, drop significantly when the quantities remaining in the hoard become available ... regardless of the price they are put out for bidding at.

While you may be hacked at by some for choosing such a course ... you can take comfort in the knowledge that you will come off as a "knight in shining armor" where the other four categories are concerned.

Implementation of the steps which I have outlined would, I'm certain, enable the GSA to fully divest the government of its remaining Carson City silver dollar holdings in a most appropriate manner. I respectfully urge that these proposals be given studied attention in developing final plans for implementing the provisions set forth in H.R. 9937.

It has been my pleasure to prepare this statement for the consideration of the committee and GSA. If any clarifications of specific points presented are desired, I will be most happy to provide them.

## ATTACHMENT "A"

## KP STAFF REVIEW:

GSA Sale of 3,000,000 Silver Dollar Hoard March, 1973-June, 1974

In a period of just over one year, the United States attempted to sell off a hoard of about 3 million silver dollars, most Morgan type Carson City minted cartwheels 1878-1885 and 1890-1891.

The government saw an opportunity to make a hefty profit on the sale, and in fact did clear approximately \$55 million following the 5th phase of the sale.

As you know, Krause Publications took the lead in the hobby in voicing objections to government attempts to sell all coins as "uncirculated" when in fact many of the pieces were so badly scratched, tarnished, bagmarked, and otherwise faulty as to put them out of the Unc. classification. The government compromised, selling those specimens as "imperfect uncirculated."

At the close of the 5th phase, June 30, 1974, the General Services Administration recommended the government hold on to the 978,906 remaining cartwheels for a period of 3-5 years before another attempt to sell them.

In all, the Great Silver Dollar Sale can only be considered moderately successful from the govt. point of view. They sold 2/3 of their goal.

Appendix A and B indicate the amount of each date that were in the hoard, the amount of each sold and the amount remaining. Appendix C shows the effect these sales have had on the price of Unc. CC silver dollars, not nearly as bad as some people had predicted, and in most cases, the prices continued to rise despite the increased number of coins on the market.

CARSON CITY SILVER DOLLAR QUANTITIES RECAP

DATE	MINIMUM BID	IN HOARD	1ST SALE*	2ND SALE**	3RD SALE***	REMAINING
1878-CC, unc.	\$15.00	47,552	-----	47,552	-----	-----
1879-CC, unc.	-----	3,609	-----	-----	-----	3,609
1880-CC, unc.	-----	114,982	-----	-----	74,070	40,912
1881-CC, unc.	-----	122,698	-----	-----	71,099	51,599
1882-CC, unc.	\$30.00	382,896	291,491	55,705	-----	35,700
1883-CC, unc.	\$30.00	523,834	257,389	40,393	-----	226,052
1884-CC, unc.	\$30.00	788,648	267,737	64,391	-----	456,520
1885-CC, unc.	-----	130,807	-----	-----	68,020	62,787
1890-CC, unc.	\$30.00	3,590	-----	3,590	-----	-----
1891-CC, unc.	\$30.00	5,157	-----	5,157	-----	-----
Mixed CC, unc.	-----	687,845	-----	170,276	-----	517,569
Mixed uncirc.	\$ 5.00	27,948	-----	27,948	-----	-----
Mixed circ.	\$ 3.00	97,562	-----	97,562	-----	-----
Totals		2,937,128	816,617	512,574	213,189	1,394,748

\* These quantities were sold during the first phase of the sale, which ended April 30, 1973.

\*\* These quantities were sold during the second sale phase ended July 31, 1973.

\*\*\* These quantities were sold during the third phase of the sale, which was closed out Oct. 31, 1973.

ATTACHMENT "B"

CARSON CITY SILVER DOLLAR QUANTITIES RECAP

DATE	MINIMUM BID	REMAINING AFTER 3 SALES	4TH SALE*	5TH SALE**	FINAL REMAINING
1879-CC, unc.	\$300.00	3,609	3,609	-----	-0-
1880-CC, unc.	\$ 60.00	40,847	-----	36,859	3,988
1881-CC, unc.	\$ 60.00	51,587	-----	32,839	18,748
1882-CC, unc.	\$ 30.00	35,700	-----	35,700	-0-
1883-CC, unc.	\$ 30.00	226,052	-----	28,837	197,215
1884-CC, unc.	\$ 30.00	456,520	-----	28,355	428,165
1885-CC, unc.	\$ 60.00	62,781	-----	31,531	31,250
Mixed CC, Imperfect unc.	\$15.00	517,579	-----	218,039	299,540
Totals		1,394,675	3,609	412,160	978,826

\* These quantities were sold during the 4th phase of the sale, which ended Feb. 28, 1974.

\*\* These quantities were sold during the fifth sale phase ended June 30, 1974.

## ATTACHMENT "D"

	UNC. PRICES ACCORDING TO RED BOOK				COIN MARKET April 1, 1978		
	1973	1974	1975	1976	BUY	SELL	
1878-CC	\$ 17.50	\$ 30.00	\$ 30.00	\$ 33.00	\$ 30-39	\$ 42-55	
1879-CC	\$225.00	\$425.00	\$500.00	\$600.00	\$380-945	\$500-1325	
1880-CC	\$70-375	\$80-425	\$75-350	\$85-325	\$ 67-74	\$ 94-104	
1881-CC	\$ 75.00	\$ 85.00	\$ 85.00	\$ 85.00	\$ 67-74	\$ 94-104	
1882-CC	\$ 40.00	\$ 35.00	\$ 35.00	\$ 30.00	\$ 21-25	\$ 29-35	
1883-CC	\$ 35.00	\$ 35.00	\$ 35.00	\$ 30.00	\$ 21-25	\$ 29-35	
1884-CC	\$ 43.00	\$ 35.00	\$ 35.00	\$ 30.00	\$ 21-25	\$ 29-35	
1885-CC	\$ 67.50	\$ 70.00	\$ 72.00	\$ 80.00	\$ 67-74	\$ 94-104	
1890-CC	\$ 34.00	\$ 70.00	\$ 70.00	\$ 77.50	\$ 67-100	\$ 94-140	
1891-CC	\$ 31.00	\$ 70.00	\$ 60.00	\$ 68.00	\$ 48-69	\$ 67-96	



## ANA Grading: Morgan Dollars

**MS-70:** A flawless coin exactly as it was minted, with no trace of wear or injury. Must have full mint luster and brilliancy or light toning. Any unusual striking traits must be described.

**MS-65:** No trace of wear; nearly as perfect as MS-70 except for a few minute bag marks or surface marks. Has full mint luster but may be unevenly toned. Any unusual striking traits must be described.

**MS-63:** A strictly uncirculated coin with no trace of wear, but with bag marks and other abrasions more obvious than for MS-65. May have a few small rim nicks and weakly struck spots. Has full mint luster, but may lack brilliancy and surface may be spotted or heavily toned. Bag abrasions and scuff marks are considered different from circulation wear. Full mint luster and lack of any wear are necessary to distinguish MS-63 from AU-55.

Check points for signs of wear: Hair above eye and ear, edges of cotton leaves and blossoms, high upper fold of cap. High points of eagle's breast and tops of legs.

**AU-50:** Obverse—Slight trace of wear on hair above eye and ear, edges of cotton leaves and high upper fold of cap. Luster fading from cheek. Reverse—Slight trace of wear shows on breast, tops of legs and talons.

**AU-45:** Obverse—Traces of wear show on hair above eye and ear, edges of cotton leaves and high upper fold of cap. Partial detail visible on tops of cotton blossoms. Luster gone from cheek. Reverse—Traces of wear on breast, tops of legs, wing tips and talons. Three-quarters of mint luster is still present. Surface abrasions and bag marks are more noticeable than for AU-55.

**AU-40:** Obverse—Slight wear on hair above date, forehead and ear. Lines in hair well detailed and sharp. Slight flat spots on edges of cotton leaves. Minute signs of wear on cheek. Reverse—High points of breast lightly worn. Tops of legs and right wing tip show wear. Talons are slightly flat. Half of mint luster is still present.

**AU-35:** Obverse—Wear shows on hair above date, forehead and ear. Lines in hair well detailed. Flat spots visible on edges of cotton leaves. Cheek lightly worn. Reverse—Almost all feathers gone from breast. Tops of legs, wing tips and talons on hand show wear. Talons are flat. Partial mint luster is visible.

**AU-30:** Obverse—Wear shows on high points of hair from forehead to ear. Some strands visible in hair above ear. Smooth areas on cotton leaves and tops of cotton blossoms. Reverse—Wear shows on leaves of wreath and tips of wings. Only a few feathers visible on breast and hand.

**AU-25:** Obverse—Smooth spots visible on hair from forehead to ear. Cotton leaves heavily worn but separated. Wreath gains show wear. Reverse—Some leaves on wreath are well worn. Breast is smooth and only a few feathers show on hand. Tips of wings are weak but lines are complete.

**AU-20:** Obverse—Hairline along face is clearly defined. Lower two cotton leaves smooth but distinct from cap. Some wreath gains merging. Cotton blossoms flat, but the two lines in each show clearly. Reverse—One-quarter of eagle's right wing and edge of left wing are smooth. Head, neck and breast are flat and merging. Tail feathers slightly worn. Top leaves in wreath show heavy wear.

**AU-15:** Obverse—Wear details in hair are worn smooth. All letters and date are clear. Cotton blossoms flat and leaves merging in spots. Reverse—Eagle's right wing and one-third of left wing are smooth. All leaves in wreath are worn. Rim is complete.

**AU-10:** Obverse—Hair is well worn with very little detail remaining. Date, letters and design clearly outlined. Rim is full. Reverse—Eagle is worn nearly flat but is completely outlined. Design elements smooth but visible. Legend is all visible; rim is full.

**AU-5:** Obverse—Head is outlined with nearly all details worn away. Date readable but worn. Legend merging into rim. Reverse—Entire design partially worn away. Rim merges into legend.

Chairman FAUNTROY. I also wish to advise the members of the interest of the Excel International Foundation of Los Angeles in submitting a statement some time in the future.

If there is no further business, the hearing is adjourned.  
[Whereupon, at 11:25 a.m., the hearing was adjourned.]











